

Cuba: Issues for the 108th Congress

December 2, 2004

Congressional Research Service

<https://crsreports.congress.gov>

RL31740

Summary

Cuba under Fidel Castro remains a hard-line communist state with a poor record on human rights that has deteriorated significantly since 2003. With the cutoff of assistance from the former Soviet Union, Cuba experienced severe economic deterioration from 1989 to 1993. While there has been some improvement since 1994, as Cuba has implemented limited reforms, the economy remains in poor shape.

Since the early 1960s, U.S. policy toward Cuba has consisted largely of isolating the island nation through comprehensive economic sanctions. Another component of U.S. policy consists of support measures for the Cuban people, including private humanitarian donations and U.S.-sponsored radio and television broadcasting to Cuba. The Bush Administration has further tightened restrictions on travel for family visits, other categories of travel, and on sending private humanitarian assistance to Cuba. While there appears to be broad agreement on the overall objective of U.S. policy toward Cuba—to help bring democracy and respect for human rights to the island, there are several schools of thought on how to achieve that objective. Some advocate maximum pressure on the Cuban government until reforms are enacted; others argue for lifting some U.S. sanctions that they believe are hurting the Cuban people. Still others call for a swift normalization of U.S.-Cuban relations.

Several FY2005 appropriations bills had provisions that would have eased Cuba sanctions, but ultimately these provisions were not included in the FY2005 omnibus appropriations measure (H.R. 4818, H.Rept. 108-792). The House-passed version of the FY2005 Commerce, Justice, and State appropriations bill, H.R. 4754, would have prohibited funds to implement recent restrictions on gift parcels and on baggage for travelers. The House-passed version of the FY2005 Transportation/Treasury appropriations bill, H.R. 5025, had three Cuba provisions that would have eased sanctions on family and educational travel, and on private commercial sales of agricultural and medical products; the Senate committee version of the bill, S. 2806, would have prohibited funds from administering or enforcing restrictions on Cuba travel. The Senate committee version of the FY2005 Agriculture appropriation bill, S. 2803, would have eased restrictions on travel to Cuba if it was related to the commercial sale of agricultural and medical products. The Administration had threatened to veto both the Transportation/Treasury and Agriculture appropriations measures if they had provisions weakening Cuba sanctions.

In other action, the 108th Congress demonstrated concern about the poor human rights situation by approving four resolutions: S.Res. 97, H.Res. 179, S.Res. 62, and S.Res. 328. Numerous additional legislative initiatives were introduced that would have eased sanctions on Cuba, but no action was completed on these bills: H.R. 187, H.R. 188, H.R. 1698, H.R. 2071, H.R. 3422, H.R. 4678, S. 403, S. 950, and S. 2449/H.R. 4457. Two initiatives, H.R. 3470 and H.R. 3670, would have tightened sanctions. H.R. 2494/S. 2002 would have repealed a provision in law that prohibits trademark registration or courts from considering trademark claims if the trademark was used in connection with confiscated assets in Cuba; in contrast, H.R. 4225/S. 2373 would have applied a narrow fix to the law so that it conformed with a World Trade Organization ruling. Cuba under Fidel Castro remains a hard-line communist state with a poor record on human rights that has deteriorated significantly since 2003. With the cutoff of assistance from the former Soviet Union, Cuba experienced severe economic deterioration from 1989 to 1993. While there has been some improvement since 1994, as Cuba has implemented limited reforms, the economy remains in poor shape.

Since the early 1960s, U.S. policy toward Cuba has consisted largely of isolating the island nation through comprehensive economic sanctions. Another component of U.S. policy consists of support measures for the Cuban people, including private humanitarian donations and U.S.-

sponsored radio and television broadcasting to Cuba. The Bush Administration has further tightened restrictions on travel for family visits, other categories of travel, and on sending private humanitarian assistance to Cuba. While there appears to be broad agreement on the overall objective of U.S. policy toward Cuba—to help bring democracy and respect for human rights to the island, there are several schools of thought on how to achieve that objective. Some advocate maximum pressure on the Cuban government until reforms are enacted; others argue for lifting some U.S. sanctions that they believe are hurting the Cuban people. Still others call for a swift normalization of U.S.-Cuban relations.

Several FY2005 appropriations bills had provisions that would have eased Cuba sanctions, but ultimately these provisions were not included in the FY2005 omnibus appropriations measure (H.R. 4818, H.Rept. 108-792). The House-passed version of the FY2005 Commerce, Justice, and State appropriations bill, H.R. 4754, would have prohibited funds to implement recent restrictions on gift parcels and on baggage for travelers. The House-passed version of the FY2005 Transportation/Treasury appropriations bill, H.R. 5025, had three Cuba provisions that would have eased sanctions on family and educational travel, and on private commercial sales of agricultural and medical products; the Senate committee version of the bill, S. 2806, would have prohibited funds from administering or enforcing restrictions on Cuba travel. The Senate committee version of the FY2005 Agriculture appropriation bill, S. 2803, would have eased restrictions on travel to Cuba if it was related to the commercial sale of agricultural and medical products. The Administration had threatened to veto both the Transportation/Treasury and Agriculture appropriations measures if they had provisions weakening Cuba sanctions.

In other action, the 108th Congress demonstrated concern about the poor human rights situation by approving four resolutions: S.Res. 97, H.Res. 179, S.Res. 62, and S.Res. 328. Numerous additional legislative initiatives were introduced that would have eased sanctions on Cuba, but no action was completed on these bills: H.R. 187, H.R. 188, H.R. 1698, H.R. 2071, H.R. 3422, H.R. 4678, S. 403, S. 950, and S. 2449/H.R. 4457. Two initiatives, H.R. 3470 and H.R. 3670, would have tightened sanctions. H.R. 2494/S. 2002 would have repealed a provision in law that prohibits trademark registration or courts from considering trademark claims if the trademark was used in connection with confiscated assets in Cuba; in contrast, H.R. 4225/S. 2373 would have applied a narrow fix to the law so that it conformed with a World Trade Organization ruling.

Contents

Most Recent Developments.....	1
Political Conditions	4
Outlook.....	4
Human Rights.....	5
Crackdown in 2003	6
Varela Project.....	8
Trafficking in Persons	8
UNCHR Resolutions.....	9
Legislative Initiatives.....	10
Economic Conditions	11
U.S. Policy Toward Cuba	12
Bush Administration Policy	13
Tightened Sanctions in 2004.....	14
Issues in U.S.-Cuban Relations	15
Overall Direction of U.S. Policy	15
Helms/Burton Legislation	16
Major Provisions and Implementation.....	16
Foreign Reaction and the EU's WTO Challenge.....	17
Section 211 Trademark Provision	18
Food and Medical Exports	20
Legislative Initiatives.....	22
Travel and Private Humanitarian Assistance Restrictions.....	23
Legislative Initiatives.....	24
Drug Interdiction Cooperation	26
Legislative Initiatives.....	27
Cuba and Terrorism	28
Cuba as the Victim of Terrorism	29
Cuba and Biological Weapons?	29
Cuban Spies in the United States	31
Guantanamo Naval Base	32
Radio and TV Marti	33
Debate on TV Marti	34
Airborne Broadcasts.....	34
FY2003 Funding.....	35
FY2004 Funding.....	35
FY2005	36
U.S. Funding to Support Democracy and Human Rights	36
Migration Issues	38
1994 and 1995 Agreements.....	38
Elian Gonzalez Case	38
Wet Foot/Dry Foot Policy	39
Migration Talks.....	40
Excludables.....	40
Legislation and Resolutions in the 107 th Congress.....	41
Legislative Initiatives in the 108 th Congress.....	42
FY2005 Consolidated Appropriations Act	42

FY2004 Consolidated Appropriations Act	42
Human Rights and Democracy	43
Modification of Sanctions	45
Cuba Broadcasting	48
Anti-Drug Cooperation	49
Migration.....	49
For Additional Reading	49

Figures

Figure 1. Map of Cuba	51
-----------------------------	----

Contacts

Author Information.....	52
-------------------------	----

Most Recent Developments

From November 30-December 2, 2004, the Cuban government released six political prisoners, including Raul Rivero and Oscar Espinosa Chepe, and reports indicate that up to 18 additional dissidents have been transferred to the main prison hospital in Havana, often a sign that a prisoner will be freed. Many observers maintain that the releases are aimed at improving Cuba's relations with Europe. (See *Human Rights* below.)

On November 20, 2004, both the House and the Senate agreed to the conference report (H.Rept. 108-792) to the FY2005 omnibus appropriations bill (H.R. 4818), which included nine regular appropriations bills. The measure dropped provisions easing Cuba sanctions that had been included in the Agriculture, Commerce, Justice, and State, and Transportation/Treasury appropriations bills. The measure also fully funded the Administration's requests for \$27.6 million for Cuba broadcasting (Radio and TV Marti) and \$9 million in Economic Support Funds for Cuba projects to promote democratization, respect for human rights, and the development of a free market economy.

On November 12, 2004, the Treasury Department's Office of Foreign Assets Control instructed U.S. banks to stop transfers of funds to U.S. companies for sales of agricultural and medical products to Cuba. The temporary move was taken so that OFAC could examine whether there were any violations of the provisions of the Trade Sanctions Reform and Export Enhancement Act of 2000 (P.L. 106-387, Title IX) requiring that the sales be conducted in "payment of cash in advance." Some observers fear that the action could jeopardize U.S. agricultural sales to Cuba, which in the first nine months of 2004, amounted to some \$320 million. (See *Food and Medical Exports* below.)

On October 25, 2004, Fidel Castro announced that U.S. dollars no longer would be used in entities that currently accept dollars (such as stores, restaurants, and hotels). As of November 14, Cubans need to exchange their dollars for "convertible pesos," with a 10% surcharge for the exchange. (See *Economic Conditions* below.)

On September 23, 2004, the Senate approved the FY2005 Foreign Operations bill, H.R. 4818, amended, by voice vote with a provision (Section 5091) providing \$5 million to establish cooperation with appropriate agencies of the Cuban government on counter-narcotics matters. The Senate Appropriations Committee had reported its version of the bill, S. 2812 (S.Rept. 108-346), on September 15, 2004, with the same provision. (See *Drug Interdiction Cooperation* below.)

On September 22, 2004, the House approved H.R. 5025, the FY2005 Transportation/Treasury appropriations bill, with three Cuba provisions that would ease sanctions on family travel (Section 647), travel for educational activities (Section 648), and on private commercial sales of agricultural and medical products (Section 649). The Administration has threatened a presidential veto if the final measure weakens Cuba sanctions. (See sections below on *Food and Medical Exports* and *Travel and Private Humanitarian Assistance Restrictions*.)

On September 18, 2004, the *New York Times* reported that the Bush Administration, using more stringent intelligence standards, has "concluded that it is no longer clear that Cuba has an active, offensive bio-weapons program." (See *Cuba and Biological Weapons?* below.)

On September 15, 2004, the Senate Appropriations Committee reported its version of the FY2005 Transportation and Treasury appropriations measure, S. 2806 (S.Rept. 108-342), with a provision (Sec. 222) that would prohibit funds from administering or enforcing restrictions on travel or travel-related transactions. The Administration has threatened a presidential veto if the final

measure weakens Cuba sanctions. (See *Travel and Private Humanitarian Assistance Restrictions* below.)

On September 14, 2004, the Senate Appropriations Committee reported its version of the FY2005 Agriculture Appropriation bill, S. 2803 (S.Rept. 108-340), with a provision (Section 776) directing the Secretary of the Treasury to promulgate regulations allowing for travel to Cuba under a “general license” when it is related to the commercial sale of agricultural and medical products. The Administration has threatened to veto the measure if it contained provisions weakening Cuba sanctions. (See *Food and Medical Exports* below.)

On August 13, 2004, the U.S. Interests Section in Havana announced that it would provide \$50,000 in U.S. funds to help Cuba in the aftermath of Hurricane Charley. The Cuban government rejected the assistance, calling it “hypercritical” and the amount “humiliating.”

On July 22, 2004, the Cuban government released political prisoner Marta Beatriz Roque for health reasons. Roque had received a 20-year sentence in April 2003 and also had been imprisoned from July 1997 until May 2000. Since April 2004, the Cuban government has released 11 political prisoners for health reasons, including 7 of the 75 dissidents imprisoned in March 2003. (See *Human Rights* below.)

On July 16, 2004, President Bush suspended for another six months the right of individuals to file lawsuits against those persons benefitting from confiscated U.S. property in Cuba under Title III of the Cuban Liberty and Democratic Solidarity Act (P.L. 104-114). (See *Helms/Burton Legislation* below.)

On July 15, 2004, the House approved the FY2005 Foreign Operations Appropriations bill, H.R. 4818, that would prohibit counternarcotics assistance for Cuba. The report to the bill (H.Rept. 108-599) also expressed the House Appropriations Committee’s full support for the Administration’s \$9 million request for projects to promote democratization, respect for human rights, and the development of a free market economy in Cuba. (See *Drug Interdiction Cooperation* and *U.S. Funding to Support Democracy and Human Rights* below.)

On July 8, 2004, the U.S. Coast Guard published regulations requiring U.S. vessels less than 100 meters to have a Coast Guard permit to enter Cuban territorial waters. (*Federal Register*, pp. 41367-41374)

On July 7, 2004, the House approved, by vote of 221-194, a Flake amendment (H.Amdt. 647) to the FY2005 Commerce, Justice, and State appropriations bill, H.R. 4754, that would prohibit funds to implement the Department of Commerce’s new restrictions on gift parcels to Cuba and the amount of personal baggage allowed for travelers to Cuba. The House subsequently approved the bill on July 8, 2004.

On June 25, 2004, the Treasury Department’s Office of Foreign Assets Control (OFAC) delayed the implementation of tightened travel restrictions for family visits and fully-hosted travel until August 1, 2004, for those travelers already in Cuba on June 29, 2004. The action was taken to give those already in Cuba time to return to the United States.

On June 22, 2004, the Department of Commerce’s Bureau of Industry and Security (BIS) published regulations related to the recommendations of the Commission for Assistance to a Free Cuba (*Federal Register*, pp. 34565-34567). The new regulations placed new limits on gift parcels and personal baggage going to Cuba. Items such as seeds, clothing, personal hygiene items, veterinary medicines and supplies, fishing equipment and supplies, and soap-making equipment may no longer be included in gift parcels.

On June 16, 2004, OFAC published interim regulations implementing the President's directives related to the recommendations of the Commission for Assistance to a Free Cuba (*Federal Register*, pp. 33768-33774). This included tightening travel restrictions in several ways, such as further restricting educational travel and family visits (and the amount that family visitors may spend while in Cuba) and eliminating the category of fully-hosted travel. The new regulations also further restricted the sending of remittances to Cuba by limiting the remittances to the remitter's immediate family. Although most of the tightened restrictions were to go into effect on June 30, 2004, implementation of the regulations for family visits and fully hosted travel have been delayed until August 1 for those travelers already in Cuba on June 29 (see June 25 entry above). Educational activities already planned may proceed as long as they are completed by August 15, 2004. OFAC noted that it welcomes interested parties to comment on the regulations no later than August 16, 2004, and that it will consider such comments in the development of final regulations.

On May 6, 2004, President Bush endorsed the recommendations of the inter-agency Commission for Assistance to a Free Cuba that had been established by the President in October 2003. The recommendations included a number of measures to tighten economic sanctions, such as further restricting family visits, cash remittances, and gift parcels. (The full Commission report is available at <http://www.state.gov/p/wha/rt/cuba/commission/2004/>. Also see "Commission for Assistance to a Free Cuba," below.)

On April 15, 2004, by a vote of 22-21, with 10 abstentions, the U.N. Commission on Human Rights (UNCHR) approved a resolution that deplored Cuba's 2003 human rights crackdown and again urged Cuba to cooperate with the personal representative of the U.N. High Commission for Human Rights. (See *UNCHR Resolutions* below.)

On April 8, 2004, the Senate approved S.Res. 328, amended, by unanimous consent. It calls on Cuba to immediately release individuals imprisoned for political purposes. It also calls upon the 60th session of the UNCHR to condemn Cuba for its human rights abuses and to demand that inspectors from the International Committee of the Red Cross be allowed to visit and inspect Cuban prisons.

On March 30, 2004, Under Secretary of State for Arms Control and International Security John Bolton testified before the House International Relations Committee that "Cuba remains a terrorist and BW [biological weapons] threat to the United States." Bolton cautioned, however, that "existing intelligence reporting is problematic, and the Intelligence Community's ability to determine the scope, nature, and effectiveness of any Cuban BW program has been hampered by reporting from sources of questionable access, reliability, and motivation." (See *Cuba and Biological Weapons?* below.)

On February 26, 2004, President Bush ordered the Department of Homeland Security to expand its policing of the waters between Florida and Cuba with the objective of stopping pleasure boating traffic.

On January 21, 2004, the State Department again condemned Cuba's imprisonment of journalists, librarians, and human rights defenders. It criticized the poor conditions and lack of adequate medical treatment for Oscar Espinosa Chepe and Marta Beatriz Roque and the poor health of Leonardo Bruzon Avila due to repeated hunger strikes. (See *Health and Conditions of Political Prisoners* below.)

On January 16, 2004, President Bush suspended for another six months the right of individuals to file lawsuits against those persons benefitting from confiscated U.S. property in Cuba under Title III of the Cuban Liberty and Democratic Solidarity Act (P.L. 104-114). (See *Helms/Burton Legislation* below.)

The State Department cancelled the semiannual round of U.S.-Cuba migration talks scheduled for January 8, 2004, because Cuba reportedly has refused to discuss several issues. Cuban officials maintained that the U.S. decision was irresponsible and that it was prepared to discuss all of the issues raised by the United States. (See *Migration Issues* below).

Political Conditions

Although Cuba has undertaken some limited economic reforms in recent years, politically the country remains a hard-line communist state. Fidel Castro, who turned 78 on August 13, 2004, has ruled since the 1959 Cuban Revolution, which ousted the corrupt government of Fulgencio Batista from power. Castro soon laid the foundations for an authoritarian regime by consolidating power and forcing moderates out of the government. In April 1961, Castro admitted that the Cuban Revolution was socialist, and in December 1961, he proclaimed himself to be a Marxist-Leninist. From 1959 until 1976, Castro ruled by decree.

A Constitution was enacted in 1976 setting forth the Communist Party as the leading force in the state and in society (with power centered in a Politburo headed by Fidel Castro). The Constitution also outlined national, provincial, and local governmental structures. Executive power is vested in a Council of Ministers, headed by Fidel Castro as President. Legislative authority is vested in a National Assembly of People's Power, currently with 609 members, that meets twice annually for brief periods. While Assembly members were directly elected for the first time in February 1993, only a single slate of candidates was offered. In October 1997, the Cuban Communist Party held its 5th Congress (the prior one was held in 1991) in which the party reaffirmed its commitment to a single party state and reelected Fidel and Raul Castro as the party's first and second secretaries. Direct elections for the National Assembly were again held in January 1998 and January 2003, but voters again were not offered a choice of candidates.

In response to the challenge posed by the Varela Project, a human rights initiative that called for changes to the Constitution (see below), the Cuban government orchestrated a national referendum in late June 2002, signed by 8.1 million people, that declared that Cuba's socialist system could not be changed. Subsequently the National Assembly on June 26, 2002, approved amendments to the Constitution stating that "socialism and the revolutionary political and social system in the Constitution.....are irrevocable; and Cuba will never again return to capitalism."¹

Outlook

Observers are divided over the future of the Castro government. Although most believe that the demise of the Communist government is inevitable, there is considerable disagreement over when or how this may occur. Some point to Castro's age and predict that the regime will collapse when Castro is not at the helm. Other observers maintain that Fidel Castro may remain in power for years, and that Cuba has a plan for the succession of his brother Raul. They point to Cuba's strong security apparatus and the extraordinary system of controls that prevents dissidents from gaining popular support. Moreover, observers maintain that Cuba's elite has no interest in Castro's overthrow, and that Castro still enjoys some support, in part because of the social benefits of the Cuban revolution, but also because Cubans see no alternative to Castro.

Even if Castro is overthrown or resigns, the important question remaining is the possibility or viability of a stable democratic Cuba after Castro. Analysts point out that the Castro government has successfully impeded the development of independent civil society, with no private sector, no

¹ "Special Session of the National Assembly, A Transcendent Yes," *Granma Internacional*, June 30, 2002, p. 1.

independent labor movement, and no unified political opposition. For this reason, they contend that building a democratic Cuba will be a formidable task, one that could meet stiff resistance.

Human Rights

Cuba has a poor record on human rights, with the government sharply restricting basic rights, including freedom of expression, association, assembly, movement, and other basic rights. It has cracked down on dissent, arrested human rights activists and independent journalists, and staged demonstrations against critics. Although some anticipated a relaxation of the government's oppressive tactics in the aftermath of the Pope's January 1998 visit, government attacks against human rights activists and other dissidents have continued since that time.

In March 2003, the government began a massive crackdown that resulted in the imprisonment of 75 independent journalists and democracy activists, many receiving long prison terms. On April 11, 2003, the government executed three men who had hijacked a ferry in an attempt to reach the United States. The executions, conducted after a swift and secret trial, were condemned around the world. (See *Crackdown in 2003* below).

The Cuban government has released a number of prisoners in 2004; as of December 2, this includes 13 of the 75 arrested in March 2003. At the same time, however, it has continued its harassment of democracy and human rights activists, including the imprisonment of several dissidents during the year. Human rights groups in Cuba estimate that there are between 300-400 political prisoners. In late November 2004, the Cuban government began releasing a number of political prisoners. Many observers maintain that the releases are aimed at improving Cuba's relations with Europe. The government released three prisoners on November 29—Oscar Espinosa Chepe, Margarito Broche, and Marcelo Lopez; two prisoners on November 30—noted poet and journalist, Raul Rivero, and Oswaldo Alfonso Valdes; and another prisoner on December 2—Edel José Garcia. Press reports have indicated that up to 18 additional dissidents have been transferred to the main prison hospital in Havana. Such transfers have often been a prelude to prisoners being released.

The State Department's human rights report on Cuba states that the Cuban "authorities routinely continued to harass, threaten, arbitrarily arrest, detain, imprison, and defame human rights advocates and members of independent professional associations, including journalists, economists, doctors, and lawyers, often with the goal of coercing them into leaving the country." The report asserts that "the Interior Ministry Department of State Security investigated and actively suppressed political opposition and dissent" and "maintained a pervasive system of surveillance through undercover agents, informers, rapid response brigades (RRBs), and neighborhood-based Committees for the Defense of the Revolution (CDRs)." Security forces and prison officials reportedly beat and abused prisoners and other detainees, and prison conditions remained harsh and life threatening. The State Department and international human rights groups have expressed special concern about the health of the political prisoners. The Cuban government has reportedly restricted medical care to some prisoners as a method of control.

The following reports provide information on the human rights situation in Cuba:

- The State Department's 2003 human rights report on Cuba, issued February 25, 2004, is available on the State Department's website at <http://www.state.gov/g/drl/rls/hrrpt/2003/27893.htm>.
- Amnesty International issued a March 2004 report on the status of the 75 dissidents imprisoned in March 2003. "Cuba, One Year Too Many: Prisoners of Conscience from the March 2003 Crackdown," available at

<http://web.amnesty.org/library/Index/ENGAMR250052004?open&of=ENG-CUB>.

- Amnesty International issued a detailed report in June 2003, which termed the crackdown the most severe since the years following the Cuban revolution. “Cuba: “Essential Measures”? Human Rights Crackdown in the Name of Security,” June 3, 2003; available at <http://web.amnesty.org/library/Index/ENGAMR250172003>).
- Florida State University’s Center for the Advancement of Human Rights began publishing information on the dissidents on the Internet, including the Cuban government’s sentencing documents. (See the website at <http://www.ruleoflawandcuba.fsu.edu/>.)
- Human Rights Watch regularly publishes information on the human rights situation in Cuba. (See the website at <http://www.hrw.org/doc?t=americas&c=cuba>.)

Crackdown in 2003

As noted above, the human rights situation in Cuba deteriorated significantly in 2003. Human rights activist Elizardo Sanchez, head of the Cuban Commission for Human Rights and National Reconciliation, has called the crackdown “the most intense wave of repression in the history of Cuba.”²

In the first two months of 2003, dozens of supporters of Oswaldo Paya’s Varela Project were “harassed, jailed, threatened, and expelled from jobs and universities”³ (see discussion of the “Varela Project” below). On February 18, 2003, two members of the Oswaldo Paya’s Christian Liberation Movement, Jesus Mustafa Felipe and Robert Montero, were sentenced to 18 months in prison on charges of contempt and resisting arrest.

On March 18, 2003, a day after the opening of the 2003 session of the U.N. Commission on Human Rights in Geneva, the Cuban government began a massive crackdown on independent journalists and librarians, leaders of independent labor unions and opposition parties, and other democracy activists, including those supporting the Varela Project. Some 75 activists were arrested, subjected to summary trials and prosecutions that began on April 3, 2003, and sentenced to prison terms ranging from 6 to 28 years. Foreign journalists and diplomats were excluded from the trials. Among the activists were 27 independent journalists, including Raul Rivero and Oscar Espinosa Chepe, sentenced to 20 years, and Omar Rodríguez Saludes, sentenced to 27 years. Other sentenced democracy activists included economist Marta Beatriz Roque (who had been imprisoned from July 1997 until May 2000), who received 20 years, Hector Palacios, a leader of the Varela Project, who received 25 years, and Luis Enrique Ferrer García of the Christian Liberation Movement, who received 28 years. Another prominent political prisoner, Oscar Elías Biscet, (who had been arrested in December 2002 after three years in prison) was also tried in April 2003 and sentenced to 25 years in prison.

In a further deterioration of Cuba’s human rights situation, on April 11, 2003, the Cuban government executed three men who had hijacked a ferry in Havana on April 2 in an attempt to reach the United States. The men were executed by firing squads after summary trials that were held behind close doors; four other ferry hijackers received life sentence while another received

² Nancy San Martin, “Cuba: Dissidents Were Eroding Socialist System,” *Miami Herald*, April 10, 2003.

³ Elaine De Valle, “Cuba Increases Pressure on Pro-Paya Dissidents,” *Miami Herald*, February 20, 2003, p. F1.

30 years in prison. The ferry hijacking was preceded by the hijacking of two small planes to the United States.

International human rights groups, such as Amnesty International and Human Rights Watch, and a number of foreign countries, including Mexico, the European Union, the Vatican, and the 15-nation Caribbean Community, condemned the crackdown and the executions. Because of the human rights crackdown, the EU postponed consideration of Cuba's application for inclusion in the Cotonou Agreement, which provides preferential trade terms and development assistance to former European colonies; as a result, Cuba withdrew its application for the agreement because it did not want to be forced to comply with "unacceptable conditions."⁴

Both U.N. and OAS Special Rapporteurs on Freedom of Expression expressed grave concern on the sentencing of the dissidents.⁵ On May 19, 2003, almost half of OAS members approved a statement expressing "their deep concern about the sharp deterioration of the human rights situation in Cuba in March and April 2003." Other OAS members, however, felt that the OAS was not the body to discuss the issue since Cuba has been excluded from participating since 1962. (Also see *UNHCR Resolutions* below.)

The United States—both the Administration and Congress (see "Legislative Initiatives" below)—strongly condemned the Cuban government's actions. In response to the summary trials of the dissidents, the State Department issued a statement characterizing the actions as "the most despicable act of political repression in the Americas in a decade" and called "on the international community ... in condemning this repression and in demanding the release of these Cuban prisoners of conscience."⁶

Rationale for the 2003 Crackdown

Analysts see a variety of potential reasons for Cuba's severe crackdown on democracy activists. The Cuban government asserts that the crackdown was justified because the defendants were supported by the U.S. government and that U.S. diplomats in Cuba, most notably the head of the U.S. Interests Section in Havana, James Cason, often met with the dissidents. Some analysts believe that the crackdown was a clear message by the Cuban government that it will not tolerate the U.S. government's active and open support for the opposition movement. Other analysts emphasize that the crackdown was an effort by Castro to strengthen the regime's political control in light of a faltering economy and dim economic prospects ahead. According to this view, an increasingly assertive opposition movement could become a national security threat to the Castro regime in the tough economic times ahead. Along these lines, some analysts see the crackdown as a way for the regime to clear away any potential opposition in order to ensure that the eventual succession of Raul Castro to power will be smooth.

Some observers maintain that the Cuban government's willingness to jeopardize the possibility of easing U.S. trade and travel restrictions as an indication that it currently views the dissident movement as a serious security threat. Others, however, believe that the Cuban government judged that there would not be any movement to ease the embargo under the Bush Administration and felt that it had little to lose in cracking down on the opposition movement.

⁴ Nancy San Martin, "Cuba Withdraws from European Pact," *Miami Herald*, May 20, 2003.

⁵ Organization of American States. "U.N. and OAS Special Rapporteurs on Freedom of Expression Gravely Concerned About Situation in Cuba," Press Release, May 3, 2003.

⁶ U.S. Department of State, International Information Programs, Washington File, "U.S. Condemns Initiation of Trials Against Activists in Cuba," April 3, 2003.

Finally, a view often heard when Castro takes harsh action that jeopardizes an improvement in relations with the United States is that Castro actually is opposed to any further opening to the United States because it could threaten his regime's control. According to this view, the crackdown against the opposition puts the skids on any potential easing of U.S. policy.

Varela Project

A human rights initiative within Cuba that has received attention since 2002 is the Varela Project (named for the 19th century priest, Felix Varela, who advocated independence from Spain and the abolition of slavery) in which thousands of signatures have been collected supporting a national plebiscite. The referendum would call for respect for human rights, an amnesty for political prisoners, private enterprise, and changes to the country's electoral law that would result in free and fair elections. The initiative is organized by Oswaldo Paya, who heads the Christian Liberation Movement, and it is supported by other notable Cuban human rights activists.

On May 10, 2002, organizers of the Varela Project submitted 11,020 signatures to the National Assembly calling for a national referendum. This was more than the 10,000 required under Article 88 of the Cuban Constitution. Former President Jimmy Carter noted the significance of the Varela Project in his May 14, 2002 address in Havana that was broadcast in Cuba. Carter noted that "when Cubans exercise this freedom to change laws peacefully by a direct vote, the world will see that Cubans, and not foreigners, will decide the future of this country."⁷

In response to the Varela Project, the Cuban government orchestrated its own referendum in late June 2002 that ultimately led to the National Assembly amending the Constitution to declare Cuba's socialist system irrevocable.

The Varela Project has persevered despite the March 2003 human rights crackdown, which included the arrests of 42 active supporters of the human rights initiative. On October 3, 2003, Oswaldo Paya delivered more than 14,000 signatures to Cuba's National Assembly, again requesting a referendum on democratic reforms.

Trafficking in Persons

In September 2003, President Bush, pursuant to the Trafficking Victims Protection Act of 2000 (P.L. 106-386, Division A), determined that Cuba did not comply with minimum standards for the elimination of trafficking in persons or make significant efforts to bring itself into compliance. While the determination triggers sanctions on U.S. aid and other support, Cuba already is subject to comprehensive U.S. economic sanctions and an embargo on trade and financial transactions. According to the State Department's June 2004 Trafficking in Persons Report (available at <http://www.state.gov/g/tip/rls/tiprpt/2004/>), "Cuba is a country of internal trafficking for sexual exploitation and forced labor. Child sexual victims are generally teenage girls aged 14 to 17 who are abused in prostitution. The Cuban government does not condone underage prostitution but does not publicly address the problem, which largely takes place in the context of tourism that earns hard currency for the state." Cuban officials categorized the allegations as absurd and an insult to the country's national dignity.

In mid-July 2004, President Bush alleged that Castro "welcomes sex tourism" because it is "a vital source of hard currency to keep his corrupt government afloat."⁸ Castro vigorously denied

⁷ "Text of Jimmy Carter's Speech, Broadcast Live to Cuban People," *Associated Press*, May 15, 2002.

⁸ Lesley Clark, "Bush: Castro Welcomes Sex Tourism," *Miami Herald*, July 16, 2004.

the charges. While prostitution increased in the early 1990s amid Cuba's rapid economic decline, the government began cracking down on prostitution around 1996, and it reportedly is less visible.⁹

UNCHR Resolutions

From 1991 until 1997, the U.N. Commission on Human Rights (UNCHR) called on the Cuban government to cooperate with a Special Representative (later upgraded to Special Rapporteur) designated by the Secretary General to investigate the human rights situation in Cuba. But Cuba refused to cooperate with the Special Rapporteur, and the UNCHR annually approved resolutions condemning Cuba's human rights record. In 1998, however, the UNCHR rejected—by a vote of 16 to 19, with 18 abstentions—the annual resolution sponsored by the United States that would have condemned Cuba's rights record and would have extended the work of the Special Rapporteur for another year. U.S. officials and human rights activists expressed deep disappointment with the vote. Observers maintained that the vote did not signify any improvement in human rights in Cuba, but rather was an expression of disagreement with the United States over its policy toward Cuba.

From 1999-2004, the UNCHR again approved annual resolutions criticizing Cuba for its human rights record:

- In 1999, the UNCHR resolution was approved by a vote of 21-20, with 12 abstentions.
- In 2000, the resolution, sponsored by the Czech Republic and Poland, was approved by a vote of 21-18, with 14 abstentions.
- On April 18, 2001, the resolution, sponsored by the Czech Republic and co-sponsored by 16 other nations, including the United States, was approved by a vote of 22-20, with 10 abstentions. A U.S. Congressional delegation traveled to Geneva to encourage adoption of the resolution. Mexico abstained but, in a shift under the new Fox administration, publicly stated its concern about human rights in Cuba.
- On April 19, 2002, the UNCHR approved a resolution, by a vote of 23 to 21, with 9 abstentions, calling on Cuba to improve its human rights record “in accordance with the Universal Declaration of Human Rights and the principles and standards of the rule of law” and calling for the U.N. High Commissioner for Human Rights to send a personal representative to Cuba. Uruguay sponsored the resolution, which was supported by six other Latin American nations: Argentina, Chile, Costa Rica, Guatemala, Mexico, and Peru. Brazil and Ecuador abstained, while Venezuela was the only Latin American country besides Cuba to vote against the resolution. Compared to previous years, the 2002 resolution was milder in that it recognized Cuba's efforts to fulfill the “social rights” of its people “despite an adverse international environment,” while at the same time calling on Cuba “to achieve similar progress in respect of human, civil, and political rights.”
- During its 2003 meeting, the UNCHR approved a resolution on April 17, 2003, by a vote of 24-20, with 9 abstentions, sponsored by Costa Rica, Nicaragua, Peru, and Uruguay urging Cuba to receive the personal representative of the U.N. High Commissioner for Human Rights. Cuba has said that it would not accept the visit

⁹ Maura Reynolds, “Castro's Sex-Trade Point Lost on Bush, Student Says,” *Los Angeles Times*, July 22, 2004.

of the UNCHR representative. Efforts to secure a more strongly worded resolution expressing “deep concern” about the March 2003 crackdown failed, with 31 nations voting against the amendment.

- On April 15, 2004, by a vote of 22-21, with 10 abstentions, the UNCHR approved a resolution sponsored by Honduras that deplored the crackdown in 2003 and again urged Cuba to cooperate with the personal representative of the U.N. High Commission for Human Rights. The resolution was co-sponsored by El Salvador, Nicaragua, Peru, Australia, and the Czech Republic.

Legislative Initiatives

Over the years, Congress has gone on record on numerous occasions condemning the human rights situation in Cuba. In the first session of the 108th Congress, both houses approved resolutions condemning the Cuban government in the aftermath of the March 2003 crackdown on independent journalists and other democratic activists. The Senate approved S.Res. 97 (Nelson) on April 7, 2003, which condemned the recent arrests and other intimidation tactics against democracy activists and called on the Cuban government to immediately release those imprisoned during the crackdown. The House approved H.Res. 179 (Diaz-Balart, Lincoln) on April 8, which condemned the crackdown, called for the release of all political prisoners, and called for the United States to work to ensure a strong resolution in the UNCHR this year against the Cuban crackdown. On June 27, 2003, the Senate approved S.Res. 62 (Ensign), calling on OAS and U.N. human rights bodies, the European Union, and human rights organizations around the world to call attention to the human rights situation in Cuba.

In the second session, the Senate approved S.Res. 328 (Nelson) on April 8, 2004, expressing the sense of the Senate regarding the continued human rights violations committed by Fidel Castro and the Cuban government. The resolution called on Cuba to immediately release individuals imprisoned for political purposes and called upon the 60th session of the U.N. Commission on Human Rights to condemn Cuba for its human rights abuses and demand that inspectors from the International Committee of the Red Cross be allowed to visit and inspect Cuban prisons.

Three hearings were held in the 108th Congress on the human rights situation in Cuba. Soon after Cuba’s human rights crackdown, the House International Relations Committee held a hearing on “Castro’s Brutal Crackdown on Dissidents” on April 16, 2003. On October 16, 2003, the House Government Reform Committee’s Subcommittee on Human Rights and Wellness held a hearing on “Castro’s Cuba: What is the Proper United States Response to Ongoing Human Rights Violations in Our Hemisphere?” On June 16, 2004, the House Subcommittee on Human Rights and Wellness held a hearing on continued human rights abuses in Cuba.

Numerous other resolutions have been introduced in the 108th Congress on Cuba’s poor human rights situation: H.Con.Res. 16 (Andrews), H.Res. 164 (Flake), and H.Con.Res. 125 (Deutsch). H.R. 1201 (Ros-Lehtinen) would posthumously revoke the naturalization of an individual reported to be responsible for human rights violations in Cuba. H.Res. 208 (Foley) would, among other provisions, condemn the member states of the United Nations Economic and Social Council for renewing Cuba’s membership on the United Nations Commission on Human Rights. S.Res. 146 (Reid) would express the sense of the Senate regarding the establishment of an international tribunal to prosecute crime against humanity committed by Fidel Castro and other Cuban political and military leaders. H.Res. 563 (Ros-Lehtinen) would express the sense of the House regarding the one-year anniversary of Cuba’s human rights crackdown and call for the 60th session of the UNCHR to approve a resolution holding Cuba accountable for its gross violation of human rights and civil liberties.

In addition to resolutions on the human rights situation, Congress funds democracy and human rights projects for Cuba in annual Foreign Operations and Commerce, Justice, and State appropriations measures. For more details, see *U.S. Funding to Support Democracy and Human Rights*, below.

Economic Conditions¹⁰

With the cutoff of assistance from the former Soviet Union, Cuba experienced severe economic deterioration from 1989-1993, although there has been improvement since 1994. Estimates of economic decline in the 1989-93 period range from 35-50%. From 1994-2000, however, economic growth averaged 3.7% annually, with a low of 0.4% in 1994 and a high of 7.8% in 1996.

Growth rates since 2001 have slowed, averaging almost 2.4% (3% in 2001, 1.5% in 2002, and an estimated 2.6% in 2003), although the forecast for 2004 is for 3.5%.¹¹ Growth in 2001 and 2002 slowed in the aftermath of the effects of Hurricane Michelle and the September 11, 2001 terrorist attacks in the United States. The terrorist attacks severely affected Cuba's tourist industry, with reports of some hotels closing and restaurants being empty. Hurricane Michelle damaged some 45,000 homes and severely hurt the agricultural sector. Low world prices for sugar and nickel and Venezuela's April-September 2002 suspension of oil shipments to Cuba because of Cuba's slow payment also contributed to the economic slowdown.¹² Economic growth in 2004 could be affected by a drought in eastern Cuba, the worst in 40 years, that has severely damaged agricultural crops, as well as by Hurricanes Charley and Ivan that caused significant damage and flooding in western Cuba.

Socialist Cuba has expressed pride for the nation's accomplishments in health and education. The World Bank estimates that in 2000, the adult literacy rate was 97%, life expectancy was 76 years, and the under-5 years of age mortality rate was 9 per 1,000, the lowest rate in Latin America and comparable to the rate of the United States. Nevertheless, the country's economic decline has reduced living standards considerably and resulted in shortages in medicines and medical supplies.

When Cuba's economic slide began in 1989, the government showed little willingness to adopt any significant market-oriented economic reforms, but in 1993, faced with unprecedented economic decline, Cuba began to change policy direction. Since 1993, Cubans have been allowed to own and use U.S. dollars and to shop at dollar-only shops previously limited to tourists and diplomats. Self-employment was authorized in more than 100 occupations in 1993, most in the service sector, and by 1996 that figure had grown to more than 150 occupations. Other Cuban economic reforms included breaking up large state farms into smaller, more autonomous, agricultural cooperatives (Basic Units of Cooperative Production, UBPCs) in 1993; opening

¹⁰ For an overview of the Cuban economy, see CRS Report RL30837, *Cuba: An Economic Primer*, by Ian F. Fergusson.

¹¹ "Cuba Country Report," Economist Intelligence Unit (EIU) Country Reports, April and November 2004.

¹² Venezuela provided Cuba with 53,000 barrels of oil per day under a five-year bilateral agreement signed in October 2000, with favorable financing terms for Cuba. This provided Cuba with about one-third of its oil needs. In the aftermath of the failed ouster of President Hugo Chavez in April 2002, Venezuela suspended oil shipments to Cuba, but these shipments were resumed in September 2002 after Cuba and Venezuela agreed to a restructuring of Cuba's \$142 million debt owed to Venezuela for its oil purchases. See Jose de Cordoba, "Cuba's Weak Economy May be Battered Again," *Wall Street Journal*, June 6, 2002; "Venezuela Shuts Off the Oil Spigot," *CubaNews*, June 2002, p. 12; "Venezuela: Halt in Oil to Cuba May Ease Pressure on Chavez," *Strategic Forecasting*, May 30, 2002, available at http://web2.stratfor.com/corporate/static_index.neo; and "Latin America Roundup," *Miami Herald*, September 9, 2002.

agricultural markets in September 1994 where farmers could sell part of their produce on the open market; opening artisan markets in October 1994 for the sale of handicrafts; allowing private food catering, including home restaurants (*paladares*) in June 1995 (in effect legalizing activities that were already taking place); approving a new foreign investment law in September 1995 that allows fully owned investments by foreigners in all sectors of the economy with the exception of defense, health, and education; and authorizing the establishment of free trade zones with tariff reductions typical of such zones in June 1996. In May 1997, the government enacted legislation to reform the banking system and established a new Central Bank (BCC) to operate as an autonomous and independent entity.

Despite these measures, the quality of life for many Cubans remains difficult—characterized by low wages, high prices for many basic goods, shortages of medicines, and power outages—and some analysts fear that the government has begun to backtrack on its reform efforts. Regulations and new taxes have made it extremely difficult for many of the nation’s self-employed. Some home restaurants have been forced to close because of the regulations. Some foreign investors in Cuba have also begun to complain that the government has backed out of deals or forced them out of business. In April 2004, the Cuban government limited the use of dollars by state companies for any services or products not considered part of their core business; some analysts viewed the measure as an effort to turn back the clock on economic reform measures.¹³

On October 25, 2004, Fidel Castro announced that U.S. dollars no longer would be used in entities that currently accept dollars (such as stores, restaurants, and hotels). Instead, Cubans would need to exchange their dollars for “convertible pesos,” with a 10% surcharge for the exchange. Cubans could exchange their dollars or deposit them in banks with the surcharge until November 14. Dollar bank accounts will still be allowed, but Cubans will not be able to deposit new dollars into the accounts.

U.S. Policy Toward Cuba

In the early 1960s, U.S.-Cuban relations deteriorated sharply when Fidel Castro began to build a repressive communist dictatorship and moved his country toward close relations with the Soviet Union. The often tense and hostile nature of the U.S.-Cuban relationship is illustrated by such events and actions as: U.S. covert operations to overthrow the Castro government culminating in the ill-fated April 1961 Bay of Pigs invasion; the October 1962 missile crisis in which the United States confronted the Soviet Union over its attempt to place offensive nuclear missiles in Cuba; Cuban support for guerrilla insurgencies and military support for revolutionary governments in Africa and the Western Hemisphere; the 1980 exodus of around 125,000 Cubans to the United States in the so-called Mariel boatlift; the 1994 exodus of more than 30,000 Cubans who were interdicted and housed at U.S. facilities in Guantanamo and Panama; and the February 1996 shootdown by Cuban fighter jets of two U.S. civilian planes, resulting in the death of four U.S. crew members.

Since the early 1960s, U.S. policy toward Cuba has consisted largely of isolating the island nation through comprehensive economic sanctions. These sanctions were made stronger with the Cuban Democracy Act (CDA) of 1992 (P.L. 102-484, Title XVII) and with the Cuban Liberty and Democratic Solidarity Act of 1996 (P.L. 104-114), often referred to as the Helms/Burton legislation. The CDA prohibits U.S. subsidiaries from engaging in trade with Cuba and prohibits entry into the United States for any vessel to load or unload freight if it has engaged in trade with

¹³ Larry Luxner, “New Decree Limits Dollar Transactions as Cuba Tightens Controls Once Again,” *CubaNews*, April 2004.

Cuba within the last 180 days. The Helms/Burton legislation—enacted in the aftermath of Cuba’s shooting down of two U.S. civilian planes in February 1996—combines a variety of measures to increase pressure on Cuba and provides for a plan to assist Cuba once it begins the transition to democracy. Among the law’s sanctions is a provision in Title III that holds any person or government that traffics in U.S. property confiscated by the Cuban government liable for monetary damages in U.S. federal court. Acting under provisions of the law, however, both President Clinton and President Bush have suspended the implementation of Title III at six-month intervals.

Another component of U.S. policy consists of support measures for the Cuban people, a so-called second track of U.S. policy. This includes U.S. private humanitarian donations, medical exports to Cuba under the terms of the Cuban Democracy Act of 1992, U.S. government support for democracy-building efforts, and U.S.- sponsored radio and television broadcasting to Cuba. In addition, the 106th Congress approved the Trade Sanctions Reform and Export Enhancement Act of 2000 (P.L. 106-387, Title IX) that allows for agricultural exports to Cuba, albeit with restrictions on financing such exports.

The Clinton Administration made several changes to U.S. policy in the aftermath of the Pope’s January 1998 visit to Cuba, which were intended to bolster U.S. support for the Cuban people. These included the resumption of direct flights to Cuba (which had been curtailed after the February 1996 shutdown of two U.S. civilian planes), the resumption of cash remittances for the support of close relatives in Cuba (which had been curtailed in August 1994 in response to the migration crisis with Cuba), and the streamlining of procedures for the commercial sale of medicines and medical supplies and equipment to Cuba. In January 1999, President Clinton announced several additional measures to support the Cuban people. These included a broadening of cash remittances to Cuba, so that all U.S. residents (not just those with close relatives in Cuba) could send remittances to Cuba; an expansion of direct passenger charter flights to Cuba from additional U.S. cities other than Miami (direct flights later in the year began from Los Angeles and New York); and an expansion of people-to-people contact by loosening restrictions on travel to Cuba for certain categories of travelers, such as professional researchers and those involved in a wide range of educational, religious, and sports competition.

Bush Administration Policy

The Bush Administration essentially has continued the two-track U.S. policy of isolating Cuba through economic sanctions while supporting the Cuban people through a variety of measures. However, within this policy framework, the Administration has emphasized stronger enforcement of economic sanctions and has moved to further tighten restrictions on travel, remittances, and humanitarian gift parcels to Cuba. There has been considerable reaction to the Administration’s June 2004 tightening of restrictions for family visits and other categories of travel.

President Bush made his first major statement on his Administration’s policy toward Cuba on May 18, 2001. He affirmed that his Administration would “oppose any attempt to weaken sanctions against Cuba’s government ... until this regime frees its political prisoners, holds democratic, free elections, and allows for free speech.” He added that he would “actively support those working to bring about democratic change in Cuba.”¹⁴ In July 2001, President Bush asked the Treasury Department to enhance and expand the enforcement capabilities of the Office of Foreign Assets Control. The President noted the importance of upholding and enforcing the law

¹⁴ The White House, “Remarks by the President in Recognition of Cuba Independence Day”, May 18, 2001.

in order to prevent “unlicensed and excessive travel,” enforce limits on remittances, and ensure that humanitarian and cultural exchanges actually reach pro-democracy activists in Cuba.

On May 20, 2002, President Bush announced a new initiative on Cuba that included four measures designed to reach out to the Cuban people: 1) facilitating humanitarian assistance to the Cuban people by U.S. religious and other non-governmental organizations (NGOs); 2) providing direct assistance to the Cuban people through NGOs; 3) calling for the resumption of direct mail service to and from Cuba¹⁵; and 4) establishing scholarships in the United States for Cuban students and professionals involved in building civil institutions and for family members of political prisoners. While the President said that he would work with Congress to ease sanctions if Cuba made efforts to conduct free and fair legislative elections (in January 2003) and adopt meaningful market-based reforms, he also maintained that full normalization of relations would only occur when Cuba has a fully democratic government, the rule of law is respected, and human rights are fully protected. The President’s initiative did not include an explicit tightening of restrictions on travel to Cuba that some observers had expected. The President, did state, however, that the United States would “continue to enforce economic sanctions on Cuba, and the ban on travel to Cuba, until Cuba’s government proves that it is committed to real reform.”¹⁶

On October 10, 2003, the President announced three initiatives “to hasten the arrival of a new, free, democratic Cuba.” First, the President instructed the Department of Homeland Security to increase inspections of travelers and shipments to and from Cuba in order to more strictly enforce the trade and travel embargo. Second, the President announced that the United States would increase the number of new Cuban immigrants each year, improve the method of identifying refugees, redouble efforts to process Cubans seeking to leave Cuba, initiate a public information campaign to better inform Cubans of the routes to safe and legal migration to the United States. Third, the President announced the establishment of a “Commission for Assistance to a Free Cuba,” that would help plan for Cuba’s transition from communism to democracy and help identify ways to help bring it about (see discussion below).

Tightened Sanctions in 2004

In 2004, the Bush Administration has taken several measures to tighten U.S. sanctions against Cuba. In February, as part of the Administration’s efforts to strengthen travel restrictions, the Treasury Department’s Office of Foreign Assets Control identified ten foreign companies (nine travel companies and one gift forwarder provider), blocked their assets under U.S. jurisdiction, and prohibited any transactions with these companies.¹⁷ President Bush also ordered the Department of Homeland Security to expand its policing of the waters between Florida and Cuba with the objective of stopping pleasure boating traffic.¹⁸ In March 2004, the State Department

¹⁵ Direct mail service was suspended in 1962. The Cuban Democracy Act of 1992 directed the U.S. Postal service to take actions to provide direct mail service. In January 1999, President Clinton called for the resumption of direct mail service. In the past, Cuba has responded to U.S. overtures about direct mail service by maintaining that the two countries would need to enter into a civil-aviation agreement. Cuba in the past has also expressed concern about potential terrorism that could occur with direct mail service and would want to discuss with the United States measures to prevent such activity before the resumption of direct mail. See Philip Brenner, “Washington Loosens the Knot Just a Little,” *NACLA Report on the Americas*, March 1, 1999.

¹⁶ “President Bush Announced Initiative for a New Cuba,” Remarks by the President on Cuba Policy Review, White House, May 20, 2002.

¹⁷ U.S. Department of State, International Information Programs, Washington File, “Treasury Dept. Identifies 10 Entities for Cuban Embargo Violations,” February 9, 2004.

¹⁸ Presidential Proclamation 7757 of February 26, 2004, *Federal Register*, March 1, 2004, p. 9515; Carol Rosenberg, “New Rule Restricts American Boaters from Sailing to Island,” *Miami Herald*, February 27, 2004.

announced that it would deny visas to those Cubans who participated in the “show trials” of dissidents in March 2003; the actions will reportedly cover some 300 Cubans.¹⁹

On May 6, 2004, President Bush endorsed the recommendations of a report issued by the inter-agency Commission for Assistance to a Free Cuba, chaired by Secretary of State Colin Powell. The Commission made recommendations for immediate measures to “hasten the end of Cuba’s dictatorship” as well longer-term recommendations to help plan for Cuba’s transition from communism to democracy in various areas. In total, the President directed that up to \$59 million be committed to implement key recommendations of the Commission, apparently including reprogrammed FY2004 funding and new FY2005 funding. This total includes up to \$36 million for democracy-building activities “to empower Cuban civil society;” up to \$18 million for regular airborne broadcasts to Cuba and the purchase of a dedicated airborne platform for the transmission of Radio and TV Marti broadcasts into Cuba in order “to break the information blockade;” and \$5 million in public diplomacy efforts by U.S. Embassies worldwide to disseminate information about Cuba abroad in order to “illuminate the reality of Castro’s Cuba.” (The full Commission report is on the State Department website at [<http://www.state.gov/p/wha/rt/cuba/commission/2004/>].)

The report’s most significant recommendations included a number of measures to tighten economic sanctions on family visits and other categories of travel and on private humanitarian assistance in the form of remittances and gift parcels. The Treasury Department issued regulations on June 16, 2004, implementing the tightened restrictions on travel and remittances, most of which went into effect on June 30, 2004 (the regulations were delayed until August 1 for those on family visits and fully hosted travelers already in Cuba). The Commerce Department issued regulations on June 22, 2004, regarding gift parcels and weight limits on luggage allowed for family visits; these restrictions went into effect June 30, 2004. (For more information, see *Travel and Remittance Restrictions* below and CRS Report RL31139, *Cuba: U.S. Restrictions on Travel and Remittances*.)

Issues in U.S.-Cuban Relations

Overall Direction of U.S. Policy

Over the years, although U.S. policymakers have agreed on the overall objective of U.S. policy toward Cuba—to help bring democracy and respect for human rights to the island—there have been several schools of thought about how to achieve that objective. Some advocate a policy of keeping maximum pressure on the Cuban government until reforms are enacted, while continuing current U.S. efforts to support the Cuban people. Others argue for an approach, sometimes referred to as constructive engagement, that would lift some U.S. sanctions that they believe are hurting the Cuban people, and move toward engaging Cuba in dialogue. Still others call for a swift normalization of U.S.-Cuban relations by lifting the U.S. embargo.

In general, those advocating a loosening of the sanctions-based policy toward Cuba make several policy arguments. They assert that if the United States moderated its policy toward Cuba—through increased travel, trade and diplomatic dialogue, that the seeds of reform would be planted in Cuba, which would stimulate and strengthen forces for peaceful change on the island. They

¹⁹ U.S. Department of State, International Information Programs, Washington File, “U.S. to Deny Visas to Cubans Who Took Part in Dissident Trials,” March 18, 2004; Nancy San Martin, “U.S. Bans Anti-Dissidents: The United States Will Deny Entry to 300 Cubans Identified by the States as Cuban Regime Authorities Who Are Involved in Acts of Repression,” *Miami Herald*, March 20, 2004.

stress the importance to the United States of avoiding violent change in Cuba, with the prospect of a mass exodus to the United States and the potential of involving the United States in a civil war scenario. They argue that since Castro's demise does not appear imminent, the United States should espouse a more realistic approach in trying to induce change in Cuba. Supporters of changing policy also point to broad international support for lifting the U.S. embargo, to the missed opportunities to U.S. businesses because of the embargo, and to the increased suffering of the Cuban people because of the embargo. Proponents of change also argue that the United States should be consistent in its policies with the world's few remaining Communist governments, and also maintain that moderating policy will help advance human rights.

On the other side, opponents of changing U.S. policy maintain that the current two-track policy of isolating Cuba, but reaching out to the Cuban people through measures of support, is the best means for realizing political change in Cuba. They point out that the Cuban Liberty and Democratic Solidarity Act of 1996 sets forth a road map for the steps Cuba needs to take in order for the United States to normalize relations, including lifting the embargo. They argue that softening U.S. policy at this time without concrete Cuban reforms would boost the Castro regime politically and economically, enabling the survival of the Communist regime. Opponents of softening U.S. policy argue that the United States should stay the course in its commitment to democracy and human rights in Cuba; that sustained sanctions can work; and that the sanctions against Cuba have only come to full impact with the loss of large subsidies from the former Soviet bloc. Opponents of loosening U.S. sanctions further argue that Cuba's failed economic policies, not the U.S. embargo, are the causes of the economy's rapid decline.

Helms/Burton Legislation

Major Provisions and Implementation

The Cuban Liberty and Democratic Solidarity Act (P.L. 104-114) was enacted into law on March 12, 1996. **Title I, Section 102(h)**, codifies all existing Cuban embargo executive orders and regulations. No presidential waiver is provided for any of these codified embargo provisions. This provision is significant because of the long-lasting effect on U.S. policy options toward Cuba. In effect, the executive branch is circumscribed in any changes in U.S. policy toward Cuba until certain democratic conditions are met.

Title III, controversial because of the ramifications for U.S. relations with countries investing in Cuba, allows U.S. nationals to sue for money damages in U.S. federal court those persons that traffic in property confiscated in Cuba. It extends the right to sue to Cuban Americans who became U.S. citizens after their properties were confiscated. The President has authority to delay implementation for six months at a time if he determines that such a delay would be in the national interest and would expedite a transition to democracy in Cuba.

Beginning in July 1996, President Clinton used this provision to delay for six months the right of individuals to file suit against those persons benefitting from confiscated U.S. property in Cuba. At the time of the first suspension on July 16, 1996, the President announced that he would allow Title III to go into effect, and as a result liability for trafficking under the title became effective on November 1, 1996. According to the Clinton Administration, this put foreign companies in Cuba on notice that they face prospects of future lawsuits and significant liability in the United States. At the second suspension on January 3, 1997, President Clinton stated that he would continue to suspend the right to file law suits "as long as America's friends and allies continued their stepped-up efforts to promote a transition to democracy in Cuba." He continued, at six-month intervals, to suspend the rights to file Title III lawsuits.

President Bush has continued to suspend implementation of Title III at six-month intervals, most recently on July 16, 2004. When President Bush first used his authority to suspend Title III implementation in July 2001, he cited efforts by European countries and other U.S. allies to push for democratic change in Cuba. In testimony before the House Government Reform Committee's Subcommittee on Human Rights and Wellness on October 16, 2003, Assistant Secretary of State Roger Noriega justified the continued suspension of Title III implementation by noting numerous examples of countries condemning Cuba for its human rights crackdown in 2003.

Title IV of the law denies admission to the United States to aliens involved in the confiscation of U.S. property in Cuba or in the trafficking of confiscated U.S. property in Cuba. This includes corporate officers, principals, or shareholders with a controlling interest in an entity involved in the confiscation of U.S. property or trafficking of U.S. property. It also includes the spouse, minor child, or agent of aliens who would be excludable under the provision. This provision is mandatory, and only waiveable on a case-by-case basis for travel to the United States for humanitarian medical reasons or for individuals to defend themselves in legal actions regarding confiscated property.

To date the State Department has banned from the United States a number of executives and their families from three companies because of their investment in confiscated U.S. property in Cuba: Grupos Domos, a Mexican telecommunications company; Sherritt International, a Canadian mining company; and BM Group, an Israeli-owned citrus company. In 1997, Grupos Domos disinvested from U.S.-claimed property in Cuba, and as a result its executives are again eligible to enter the United States. Action against executives of STET, an Italian telecommunications company was averted by a July 1997 agreement in which the company agreed to pay the U.S.-based ITT Corporation \$25 million for the use of ITT-claimed property in Cuba for ten years. For several years, the State Department has been investigating a Spanish hotel company, Sol Melia, for allegedly investing in property that was confiscated from U.S. citizens in Cuba's Holguin province in 1961. Press reports in March 2002 indicated that a settlement was likely between Sol Melia and the original owners of the property, but by the end of the year settlement efforts had failed.²⁰ In mid-June 2004, Jamaica's SuperClubs resort chain decided to disinvest from two Cuban hotels. The State Department had written to the hotel chain in May advising that its top officials could be denied U.S. entry because the company's Cuban investments involved confiscated U.S. property.

Foreign Reaction and the EU's WTO Challenge

Many U.S. allies—including Canada, Japan, Mexico, and European Union (EU) nations—strongly criticized the enactment of the Cuban Liberty and Democratic Solidarity Act. They maintain that the law's provisions allowing foreign persons to be sued in U.S. court constitute an extraterritorial application of U.S. law that is contrary to international principles. U.S. officials maintain that the United States, which reserves the right to protect its security interests, is well within its rights under NAFTA and the World Trade Organization (WTO).

Until mid-April 1997, the EU had been pursuing a case at the WTO, in which it was challenging the Helms/Burton legislation as an extraterritorial application of U.S. law. The beginning of a settlement on the issue occurred on April 11, 1997, when an EU-U.S. understanding was reached. In the understanding, both sides agreed to continue efforts to promote democracy in Cuba and to work together to develop an agreement on agreed disciplines and principles for the strengthening

²⁰ "April Likely to Mark Beginning of Epic Battle Over Cuba Policy Between White House, Congress," *Cuba Trader*, March 11, 2002, p. 2-3; "Congress Expected to Make New Push for Title IV Enforcement after Settlement Fails," *Cuba Trader*, December 9, 2002.

of investment protection relating to the confiscation of property by Cuba and other governments. As part of the understanding, the EU agreed that it would suspend its WTO dispute settlement case. Subsequently in mid-April 1998, the EU agreed to let its WTO challenge expire.

Talks between the United States and the EU on investment disciplines proved difficult, with the EU wanting to cover only future investments and the United States wanting to cover past expropriations, especially in Cuba. Nevertheless, after months of negotiations, the EU and the United States reached a second understanding on May 18, 1998. The understanding set forth EU disciplines regarding investment in expropriated properties worldwide, in exchange for the Clinton Administration's obtaining a waiver from Congress for the legislation's Title IV visa restrictions. Future investment in expropriated property would be barred. For past illegal expropriations, government support or assistance for transactions related to those expropriated properties would be denied. A Registry of Claims would also be established to warn investors and government agencies providing investment support that a property has a record of claims. These investment disciplines were to be applied at the same time that the President's Title IV waiver authority was exercised.

Reaction was mixed among Members of Congress to the EU-U.S. accord, but opposition to the agreement by several senior Members has forestalled any amendment of Title IV in Congress. The Bush Administration initially indicated that the Administration was looking into the possibilities of legislation to enact a presidential waiver for the provision, but during the June 2001 U.S.-EU summit, President Bush noted the difficulty of persuading Congress to amend the law.²¹ In July 2003, some press reports indicated that the Administration was considering an arrangement with the EU in which the EU would take a stronger policy stance toward Cuba in exchange for the Administration securing waiver authority for Title IV and permanent waiver authority for Title III of the Helms/Burton legislation.²²

Section 211 Trademark Provision ²³

A European Union challenge of U.S. law regarding Cuba in the World Trade Organization involves a dispute between the French spirits company, Pernod Ricard, and the Bermuda-based Bacardi Ltd. Pernod Ricard entered into a joint venture with the Cuban government to produce and export Havana Club rum, but Bacardi maintains that it holds the right to the Havana Club name. A provision in the FY1999 omnibus appropriations measure (Section 211 of Division A, title II, P.L. 105-277, signed into law October 21, 1998) prevents the United States from accepting payment for trademark registrations and renewals from Cuban or foreign nationals that were used in connection with a business or assets in Cuba that were confiscated unless the original owner of the trademark has consented. The provision prohibits U.S. courts from recognizing such trademarks without the consent of the original owner. Although Pernod Ricard cannot market Havana Club in the United States because of the trade embargo, it wants to protect its future distribution rights should the embargo be lifted.

After Bacardi began selling rum in the United States under the Havana Club label, Pernod Ricard's joint venture unsuccessfully challenged Bacardi in U.S. federal court. In February 2000, the U.S. Court of Appeals for the Second Circuit in New York upheld a lower court's ruling that

²¹ "EU, U.S. Take Sharply Different Tacks on Dispute Resolution," *Inside U.S. Trade*, June 22, 2001.

²² "Is the US After a Helms-Burton Solution?" *Cuba Trader*, July 14, 2003.

²³ For additional information, see CRS Report RS21764, *Restricting Trademark Rights of Cubans: WTO Decision and Congressional Response*, by Margaret Mikyung Lee.

the joint venture had no legal right to use the Havana Club name in the United States, and also that it was barred from recognizing any assertion of treaty rights with regard to the trade name.

After formal U.S.-EU consultations on the issue were held in 1999 without resolution, the EU initiated a WTO dispute settlement panel in June 2000, maintaining that the U.S. law violates the Agreement on Trade-Related Aspects of Intellectual Property (TRIPS). An August 6, 2001 ruling by the WTO panel was described as mixed, with both sides claiming a partial victory. The panel ruled that WTO rules on intellectual property rights did not cover trade names, but also ruled that a portion of the law (Section 211(a)(2)) prohibiting U.S. courts from recognizing such Cuban trademarks based on common law rights or registration is in violation of the TRIPS because it denies access to U.S. courts by trademark holders.

In early October 2001, the EU formally notified the WTO that it was appealing the ruling. The WTO appeals panel issued its ruling on January 2, 2002, and again the ruling was described as mixed. According to the United States Trade Representative (USTR), the appellate panel upheld the “U.S. position that WTO intellectual property rights rules leave WTO members free to protect trademarks by establishing their own trademark ownership criteria” and overturned the earlier ruling that Section 211 was in violation of TRIPS because it denied access to U.S. courts by trademark holders.²⁴ However, the appellate panel also found that Section 211 violated WTO provisions on national treatment and most-favored-nation treatment, which could require the United States to amend Section 211 so that it does not violate WTO rules. Although there is access to courts to enforce trademark rights, Section 211 restricted access in a discriminatory manner (against Cuban nationals and foreign successors-in-interest.)

On March 28, 2002, the United States agreed that it would come into compliance with the WTO ruling through legislative action by Congress by January 3, 2003.²⁵ That deadline has been extended several times, however, since no legislative action has been taken to bring Section 211 into compliance with the WTO ruling. The current deadline is December 31, 2004.

Two different approaches have been advocated to bring Section 211 into compliance with the WTO ruling. Some want a narrow fix in which Section 211 would be amended so that it applies to U.S. companies instead of being limited to foreign companies. Advocates of this approach argue that it would affirm that the United States “will not give effect to a claim or right to U.S. property if that claimed is based on a foreign compensation.”²⁶ Some want Section 211 repealed altogether. Those supporting a repeal argue that the law endangers over 5,000 trademarks of over 500 U.S. companies registered in Cuba.²⁷ They maintain that Cuba could retaliate against U.S. companies under the Inter-American Convention for Trademark and Commercial Protection.

In the 108th Congress, identical bills, H.R. 2494 (Rangel), introduced June 17, 2003, and S. 2002 (Baucus), introduced December 9, 2003, would, among other provisions, repeal the Section 211 trademark provision from law. In addition, four other legislative initiatives that would lift the overall trade embargo on Cuba also include provisions that would repeal the Section 211 trademark provision: H.R. 188 (Serrano), introduced January 7, 2003; S. 403 (Baucus),

²⁴ United States Trade Representative, “WTO Issues Report Upholding Key Aspects of U.S. Law in Trademark Dispute,” Press Release, January 2, 2002.

²⁵ “U.S., EU Agree on Deadline for Complying with Section 211 WTO Finding,” *Inside U.S. Trade*, April 12, 2002.

²⁶ Brian Lehman, testimony before the Senate Committee on the Judiciary, hearing on “An Examination of Section 211 of the Omnibus Appropriations Act of 1998,” July 13, 2004.

²⁷ “USA-Engage Joins Cuba Fight,” *Cuba Trader*, April 1, 2002.

introduced February 13, 2003; H.R. 1698 (Paul), introduced April 9, 2003; and H.R. 3422 (Serrano).

In the second session, identical bills have been introduced—H.R. 4225 (Smith of Texas), introduced April 28, 2004, and S. 2373 (Domenici), introduced April 29, 2004—that would advance a technical fix to Section 211 so that it applies to all parties regardless of nationality. Press reports in October 2003 had asserted that there were efforts in Congress to advance the narrow fix that would ensure that Section 211 applies to U.S. companies as well as foreign firms.²⁸ Plans to add such a remedy advocated by Bacardi to the conference report to the Department of Defense authorization measure, H.R. 1588, were reportedly scuttled when it became apparent that there would be some opposition.²⁹

The Senate Judiciary Committee held a July 13, 2004, hearing on the Section 211 trademark issue featuring those advocating the narrow fix as advanced by S. 2373 and H.R. 4225, as well as those calling for the repeal of Section 211 as advanced by S. 2002 and H.R. 2494.

Food and Medical Exports

Under U.S. sanctions, commercial medical and food exports to Cuba are allowed but with numerous restrictions and licensing requirements. The 106th Congress passed the Trade Sanctions Reform and Export Enhancement Act of 2000 (P.L. 106-387, Title IX) that allows for one-year export licenses for shipping food and medicine to Cuba, although no U.S. government assistance, foreign assistance, export assistance, credits, or credit guarantees are available to finance such exports. The law, furthermore, denies exporters access to U.S. private commercial financing or credit; all transactions must be conducted in cash in advance or with financing from third countries. The law reiterates the existing ban on importing goods from Cuba but authorizes travel to Cuba, under a specific license, to conduct business related to the newly allowed food and medicine sales. Regulations implementing the new provisions were published in the *Federal Register* on July 12, 2001.

In the aftermath of Hurricane Michelle that struck in early November 2001, Cuba changed its policy of not buying agricultural products from the United States because of its disapproval of U.S. financing restrictions. While the U.S. government offered humanitarian assistance to Cuba in the aftermath of the hurricane, Cuba declined, saying that instead it wanted to purchase food supplies from the United States. As a result, Cuba negotiated with several U.S. agricultural companies to import products such as wheat, corn, soybeans, rice, and chicken. The first shipments of goods arrived in mid-December 2001. This marked the first time that Cuba purchased food supplies directly from the United States since the approval of such sales in the 106th Congress. In March 2002, the Cuban government agreed to purchase additional agricultural products from the United States. In late September 2002, a U.S. Food & Agribusiness Exhibition was held in Havana featuring 288 exhibitors marketing 1,000 products from more than 30 states, the District of Columbia, and Puerto Rico.³⁰ In early June 2003, the Treasury Department's Office of Foreign Assets Control rejected an application to travel to Cuba for organizers of a potential

²⁸ "House, Senate Conferees Consider Changes to Section 211 Trademark Law," *Inside U.S. Trade*, October 3, 2003; "Section 211 Fix Revealed in Draft Proposal," *Cuba Trader*, October 6, 2003; "Delay Pours It On for Bacardi," *Roll Call*, October 1, 2003.

²⁹ "Language Amending Section 211 Dropped from DOD Authorization," *Inside U.S. Trade*, November 14, 2003.

³⁰ Nancy San Martin, "U.S. Official Dampens Trade-Show Enthusiasm with Talks of Cuban Credit," *Miami Herald*, September 29, 2002, p. F1.

second U.S. trade exhibition in Cuba.³¹ Several Members of Congress criticized the denial of the license and called for the Administration to reverse OFAC's decision.³²

Since late 2001, Cuba has purchased more than \$700 million in agricultural products from the United States. Overall U.S. exports to Cuba amounted to \$7.1 million in 2001, \$145.6 million in 2002, and \$259 million in 2003, the majority in agricultural products. For the first nine months of 2004, U.S. exports amounted to about \$321 million, the majority in agricultural products.³³

On November 12, 2004, the Treasury Department's Office of Foreign Assets Control instructed U.S. banks to stop transfers of funds to U.S. companies for sales of agricultural and medical products to Cuba. The temporary move was taken so that OFAC could examine whether there were any violations of the provisions of the Trade Sanctions Reform and Export Enhancement Act of 2000, which requires that the sales be conducted in "payment of cash in advance." Some observers fear that the action could jeopardize millions of dollars in U.S. agricultural sales to Cuba.

Opponents of further easing restrictions on food and medical exports to Cuba maintain that U.S. policy does not deny such sales to Cuba, as evidenced by the recent sales in the aftermath of Hurricane Michelle. Moreover, according to the State Department, since the Cuban Democracy Act was enacted in 1992, the United States has licensed more than \$4.3 billion in private humanitarian donations. Opponents of easing U.S. sanctions further argue that easing pressure on the Cuban government would in effect be lending support and extending the duration of the Castro regime. They maintain that the United States should remain steadfast in its opposition to any easing of pressure on Cuba that could prolong the Castro regime and its repressive policies.

Supporters of easing restrictions on food and medical exports to Cuba argue that the restrictions harm the health and nutrition of the Cuban population. They argue that although the U.S. government may have licensed more than \$4.3 billion in humanitarian donations to Cuba since 1992, much smaller amounts have actually been sent to Cuba. Some supporters of easing sanctions believe the embargo plays into Castro's hands by allowing him to use U.S. policy as a scapegoat for his failed economic policies and as a rationale for political repression. U.S. agribusiness companies that support the removal of trade restrictions on agricultural exports to Cuba believe that U.S. farmers are missing out on a market of some \$700 million so close to the United States.

Some agricultural producers exporting to Cuba support continuation of the prohibition on financing for agricultural exports to Cuba because it ensures that they will be paid. Instead, some exporters want to change U.S. restrictions in order to sell agriculture and farm equipment to Cuba.³⁴ Other agricultural exporters, however, support the lifting of the prohibition on financing. They contend that allowing such financing would help smaller U.S. companies expand purchases to Cuba more rapidly.³⁵

³¹ Nancy San Marti, "U.S. Pulls Plug on Cuba Expo," *Miami Herald*, June 18, 2003.

³² "Senators Ask for Reversal of Denial of Cuba License Applications," *International Trade Reporter*, July 24, 2003.

³³ World Trade Atlas. Department of Commerce Statistics.

³⁴ "Ag Groups Split Over Trade With Cuba," *Congress Daily AM*, National Journal, February 11, 2003.

³⁵ "Farm Equipment Exports Likely to Face Tough Opposition from White House, Congress," *Cuba Trader*, Vol. III, No. 7, February 17, 2003.

Legislative Initiatives

In the 107th Congress, numerous initiatives focused in whole or in part on easing restrictions on food and medical exports to Cuba. The House-passed version of the FY2003 Treasury Department appropriations bill, H.R. 5120, included a provision stating that no funds in the bill could be used to implement any sanction on private commercial sales of agricultural commodities or medicines to Cuba. Some observers suggested that the practical effect of this amendment would be to prevent the Treasury Department's Office of Foreign Assets Control (OFAC) from ensuring that sales to Cuba do not include private financing.³⁶ The Senate version of the bill, S. 2740, as reported out of committee, did not include a similar provision. Final action on the FY2003 Treasury Department appropriations measure was not completed before the end of the 107th Congress, so the 108th Congress faced early action on the measure. In the end, the final version of the FY2003 omnibus appropriations measure, P.L. 108-7 (H.J.Res. 2), which included Treasury Department funding, did not include the House-passed provision from the 107th Congress that would have provided no funds for enforcing restrictions against private financing of agricultural sales to Cuba. The White House had threatened to veto the omnibus bill if it had provisions weakening the embargo on Cuba.

The Senate version of the FY2004 agriculture appropriations bill, H.R. 2673, included a provision that would have allowed travel to Cuba under a general license (without applying to the Treasury Department) for travel related to commercial sales of agricultural and medical goods, but the provision was dropped in the conference on H.R. 2673 (H.Rept. 108-401), which became the FY2004 Consolidated Appropriations Act that included agriculture appropriations in Division A. The House version of the bill had not included a similar provision. Such travel to Cuba currently is allowed under the Cuba embargo regulations but under a specific license, which requires approval by the Treasury Department. As noted above, in June 2003, the Treasury Department rejected application for the U.S. organizers of a trade exhibition to travel to Cuba, prompting criticism from some Members of Congress who called for a reversal of the decision.

The Senate version of the FY2005 agriculture appropriations bill, S. 2803, as reported out of the Appropriations Committee (S.Rept. 108-340), again included a provision that would have allowed travel to Cuba under a general license for travel related to commercial sales of agricultural and medical goods, but the provision was dropped in the FY2005 omnibus appropriations measure (H.R. 4818, H.Rept. 108-792).

The House-passed version of the FY2005 Transportation/Treasury appropriations bill, H.R. 5025, had a provision (Section 649) that would have prohibited funds from being used to implement any sanction on private commercial sales of agricultural or medical commodities. The Senate version, S. 2806, as reported out of the Appropriations Committee (S.Rept. 108-342), had a provision (Section 222) that would have prohibited funds from administering or enforcing restrictions on travel or travel-related restrictions, which would include travel related to commercial sales of agricultural and medical goods. The Cuba provisions from both the House and Senate versions were dropped in the FY2005 omnibus appropriations measure (H.R. 4818, H.Rept. 108-792).

Several additional initiatives were introduced in the 108th Congress that would have lifted restrictions in whole or in part on food and medical exports to Cuba, but no action was taken on these measures. H.R. 187 (Serrano), introduced January 7, 2003, would have allowed for the financing of agricultural sales to Cuba. H.R. 3422 (Serrano), introduced October 30, 2003, would, among other measures, have permitted exports of food, medicines, and other humanitarian goods

³⁶ "House Approves Limits on Treasury Enforcement of Cuba Embargo," *Inside U.S. Trade*, July 26, 2002.

to Cuba. Three broad bills, H.R. 188 (Serrano), introduced January 7, 2003, S. 403 (Baucus), introduced February 13, 2003, and H.R. 1698 (Paul), introduced April 9, 2003, would have lifted all Cuba embargo restrictions, including those on food and medical exports. S. 2449 (Baucus)/H.R. 4457 (Otter) would have required congressional renewal of trade and travel restrictions with respect to Cuba, including restrictions on food and medical exports.

Travel and Private Humanitarian Assistance Restrictions

Restrictions on travel to Cuba have been a key and often contentious component in U.S. efforts to isolate the communist government of Fidel Castro for much of the past 40 years. Over time there have been numerous changes to the restrictions and for five years, from 1977 until 1982, there were no restrictions on travel. Restrictions on travel and remittances to Cuba are part of the Cuban Assets Control Regulations (CACR), the overall embargo regulations administered by the Treasury Department's Office of Foreign Assets Control (OFAC).

Under the Bush Administration, enforcement of U.S. restrictions on Cuba travel has increased, and restrictions on travel and on private remittances to Cuba have been tightened. In March 2003, the Administration eliminated travel for people-to-people educational exchanges unrelated to academic coursework. In June 2004, the Administration significantly restricted travel, especially family travel, and the provision of private humanitarian assistance to Cuba in the form of remittances and gift parcels.

Among the new restrictions:

- Family visits are restricted to one trip every three years under a specific license and are be restricted to immediate family members. Under previous regulations, family visits could occur once a year under a general license, with travel more than once a year allowed but under a specific license. Previously travel had been allowed to visit relatives to within three degrees of relationship to the traveler.
- Cash remittances, estimates of which range from \$400 million to \$800 million, are further restricted. Quarterly remittances of \$300 may still be sent, but it is now restricted for members of the remitter's immediate family and may not be remitted to certain government officials and certain members of the Cuban Communist Party. The regulations were also changed to reduce the amount of remittances that authorized travelers may carry to Cuba, from \$3000 to \$300.
- Gift parcels are limited to immediate family members and are denied to certain Cuban officials and certain members of the Cuban Communist Party. The contents of gift parcels may no longer include seeds, clothing, personal hygiene items, veterinary medicines and supplies, fishing equipment and supplies, and soap-making equipment.
- The authorized per diem allowed for a family visit is reduced from the State Department per diem rate, currently \$167 per day, to \$50 per day.
- With the exception of informational materials, licensed travelers may not purchase or otherwise acquire merchandise and bring it back into the United States. Previous regulations allowed visitors to Cuba to import \$100 worth of goods as accompanied baggage.
- Fully-hosted travel is no longer allowed as a permissible category of travel.
- Travel for educational activities is further restricted, including the elimination of educational exchanges sponsored by secondary schools.

There has been mixed reaction to the tightening of Cuba travel and remittance restrictions. Supporters maintain that the increased restrictions will deny the Cuban government dollars that help maintain its repressive control. Opponents argue that the tightened sanctions are anti-family and will only result in more suffering for the Cuban people. There have also been concerns that the new restrictions were drafted without considering the full consequences of their implementation. For example, the elimination of fully-hosted travel raised concerns about the status of 70 U.S. students receiving full scholarships at the Latin American School of Medicine in Havana. Members of the Congressional Black Caucus, who were instrumental in the establishment of the scholarship program for U.S. students, expressed concern that the students may be forced to abandon their medical education because of the new OFAC regulations. As a result of these concerns, OFAC ultimately licensed the medical students in August 2004 to continue their studies for a period of two years and engage in travel-related transactions.

Major arguments made for lifting the Cuba travel ban are it contributes to the suffering of Cuban families; it hinders efforts to influence conditions in Cuba and may be aiding Castro by helping restrict the flow of information; it abridges the rights of ordinary Americans; and Americans can travel to other countries with communist or authoritarian governments. Major arguments in opposition to lifting the Cuba travel ban are that more American travel would support Castro's rule by providing his government with millions of dollars in hard currency; that there are legal provisions allowing travel to Cuba for humanitarian purposes that are used by thousands of Americans each year; and that the President should be free to restrict travel for foreign policy reasons.

(For further information, see CRS Report RL31139, *Cuba: U.S. Restrictions on Travel and Remittances*, by Mark P. Sullivan.)

Legislative Initiatives

In the first session of the 108th Congress, both the House- and Senate-approved versions of the FY2004 Transportation-Treasury appropriations bill, H.R. 2989, had a nearly identical provision (Section 745 in the House version and Section 643 in the Senate version) that would have prevented funds from being used to administer or enforce restrictions on travel or travel-related transactions. But the provision was dropped in the conference report to the FY2004 Consolidated Appropriations Act, H.R. 2673 (H.Rept. 108-401), which incorporates seven regular appropriations acts, including Transportation-Treasury appropriations. The White House had again threatened to veto any legislation that weakened economic sanctions against Cuba. The conference also dropped two Cuba provisions from the House version of H.R. 2989 on remittances (Section 746) and on people-to-people educational exchanges (Section 749). The conference version of H.R. 2673 (H.Rept. 108-401) also dropped a Cuba provision from the Senate-approved version of the bill (Section 760) that would have eased restrictions for travel to Cuba related to commercial sales of agricultural and medical goods. The House version of the bill had no such provision.

In the second session of the 108th Congress, the House-passed version of the FY2005 Commerce, Justice, and State appropriations bill, H.R. 4754, included a provision (Section 801) that would have prohibited funds from being used to implement, administer, or enforce recent amendments to the Cuba embargo regulations that tightened restrictions on gift parcels and baggage taken by individuals for travel to Cuba. The provision was added by a Flake amendment, H.Amdt. 647, approved by a vote of 221-194. Ultimately, the provision was not included in the FY2005 omnibus appropriations bill (H.R. 4818, H.Rept. 108-792).

Both the House-approved version of the FY2005 Transportation/Treasury appropriations bill, H.R. 5025, and the Senate Appropriations Committee version of the bill, S. 2806, had provisions that would have eased Cuba travel sanctions in various ways, but these provisions were not included in the FY2005 omnibus appropriations measure (H.R. 4818, H.Rept. 108-792). In its statement of policy on H.R. 5025, the Administration indicated that the President would veto the measure if it contained provisions weakening Cuba sanctions. S. 2806, as reported out of committee, had a provision (Section 222) that would have prohibited funds from administering or enforcing restrictions on travel or travel-related transactions.

As approved by the House, H.R. 5025 had three provisions that would have eased Cuba sanctions. During floor consideration on September 21, 2004, the House approved a Davis (of Florida) amendment (H.Amdt. 769) by a vote of 225-174, which provided that no funds could be used to administer, implement, or enforce the Bush Administration's June 2004 tightening of restrictions on visiting relatives in Cuba; the amendment became Section 647 of the bill. On September 22, 2004, the House approved two additional Cuba amendments by voice vote. A Lee amendment (H.Amdt. 771) was approved that would prohibit funds from being used to implement, administer, or enforce the Bush Administration's June 2004 tightening of restrictions on travel for educational activities; the amendment became Section 648 of the bill. A Waters amendment was approved (H.Amdt. 770) that would prohibit funds from being used to implement any sanction imposed on private commercial sales of agricultural and medical products to Cuba, which would include travel related to the sale of such products; the amendment became Section 649 of the bill. The House also rejected a Rangel amendment (H.Amdt. 772) on September 22, 2004, by a vote of 225-188, that would have more broadly prohibited funds from being used to implement, administer, or enforce the economic embargo of Cuba. During September 15, 2004 House floor consideration of H.R. 5025, Representative Jeff Flake announced his intention not to offer an amendment, as he had for the past three years, that would have prohibited funds from being used to administer or enforce restrictions on travel or travel-related transactions.

The Senate version of the FY2005 Agriculture appropriations bill, S. 2803, as reported out of committee (S.Rept. 108-340), had a provision (Section 776) that would have directed the Secretary of the Treasury to promulgate regulations allowing for travel to Cuba under a "general license" when it was related to the commercial sale of agricultural and medical products. The Administration threatened to veto the measure if it contained provisions weakening Cuba sanctions. Ultimately, the provision was not included in the FY2005 omnibus appropriations measure (H.R. 4818, H.Rept. 108-792).

Also in the 108th Congress, H.R. 4678 (Davis of Florida), introduced June 24, 2004, would have barred certain additional restrictions on travel and remittances that the Administration imposed in June 2004. Two bills would have specifically lifted all restrictions on travel to Cuba: S. 950 (Enzi), introduced April 30, 2003, and reported by the Senate Committee on Foreign Relations November 11, 2003, and H.R. 2071 (Flake), introduced May 13, 2003. H.R. 3422 (Serrano), introduced October 30, 2003, would, among other measures, have lifted restrictions on travel to Cuba. Three broad bills, H.R. 188 (Serrano), introduced January 7, 2003, S. 403 (Baucus), introduced February 13, 2003, and H.R. 1698 (Paul), introduced April 9, 2003, would have lifted all Cuba embargo restrictions, including those on travel. Finally, S. 2449 (Baucus)/H.R. 4457 (Otter), introduced respectively on May 19 and 20, 2004, would have required congressional renewal of trade and travel restrictions with respect to Cuba.

Drug Interdiction Cooperation

Because of Cuba's geographic location, the country's waters and airspace have been used by traffickers to transport illicit drugs for ultimate destinations in the United States. Over the past several years, Cuban officials have expressed concerns over the use of their waters and airspace for drug transit as well as increased domestic drug use. The Cuban government has taken a number of measures to deal with the drug problem, including legislation to stiffen penalties for traffickers, increased training for counternarcotics personnel, and cooperation with a number of countries on anti-drug efforts. Cuba has bilateral counternarcotics agreements with 29 countries and less formal arrangements with 12 others, according to the Department of State. Britain and France have provided counternarcotics training. In November 2001, Cuba hosted a regional counternarcotics conference focusing on strategies to prevent drug abuse, drug trafficking, and money laundering.

The United States has cooperated with Cuba on anti-drug efforts on a case-by-case basis dating back to the 1970s. In 1996, Cuban authorities cooperated with the United States in the seizure of 6.6 tons of cocaine aboard the Miami-bound *Limerick*, a Honduran-flag ship. Cuba turned over the cocaine to the United States and cooperated fully in the investigation and subsequent prosecution of two defendants in the case in the United States. Cooperation has increased since 1999 when U.S. and Cuban officials met in Havana to discuss ways of improving anti-drug cooperation. Cuba accepted an upgrading of the communications link between the Cuban Border Guard and the U.S. Coast Guard as well as the stationing of a U.S. Coast Guard Drug Interdiction Specialist (DIS) at the U.S. Interests Section in Havana.

The Coast Guard official was posted to the U.S. Interests Section in September 2000, and since that time, coordination has increased somewhat. The State Department, in its March 2004 International Narcotics Control Strategy Report, maintains that there has been some Cuban cooperation with the Coast Guard specialist, but only after U.S. insistence that he either be used effectively or he would be withdrawn. The report also noted that the Coast Guard official had been subjected to diplomatically unacceptable harassment.

In addition, the State Department appeared to be more critical of Cuba in the March 2004 drug strategy report than in previous years. According to the report: "Cuban authorities have chosen not to provide an effective use of force policy and adequate resources to counternarcotics authorities to give them more than a limited ability to interdict go-fast vessels or aircraft." Nevertheless, the report maintained that Cuba did provide the U.S. Coast Guard and Drug Enforcement Administration with information on suspect aircraft and go-fast vessels that resulted in U.S. drug seizures and arrests.

In the past, Cuba has called for a bilateral anti-drug cooperation agreement with the United States.³⁷ In January 2002, Cuba deported to the United States Jesse James Bell, a U.S. fugitive wanted on drug charges, and in early March 2002, Cuba arrested a convicted Colombian drug trafficker, Rafael Bustamante, who escaped from jail in Alabama in 1992. At the time, while Drug Enforcement Administration head Asa Hutchison expressed appreciation for Cuba's actions, he indicated that cooperation would continue on a case-by-case basis, not through a bilateral

³⁷ On March 12, 2002, Cuba's Ministry of Foreign Affairs and the Cuban Interests Section in Washington delivered three diplomatic notes to the U.S. Interests Section in Havana and the State Department in Washington proposing agreements on drug interdiction, terrorism, and migration issues. See "Statement from the Ministry of Foreign Affairs: Prominent Drug Trafficker Arrested in our Country," Information Office, Cuban Interests Section, March 17, 2002.

agreement.³⁸ State Department spokesman Richard Boucher said that if Cuba “were to demonstrate a willingness to work across the board with us on law enforcement issues, then we might consider some more formal structure,” but he indicated that Cuba has not demonstrated that kind of commitment. As an example, Boucher maintained that “there are still dozens of fugitives from U.S. justice who have been provided safe haven by the Cuban government.”³⁹

Legislative Initiatives

In the second session of the 107th Congress, both House and Senate versions of the FY2003 Foreign Operations appropriations bill (H.R. 5410 and S. 2779) had divergent provisions related to Cuba and counternarcotics cooperation with the United States. Section 585 of the Senate bill provided that \$3 million in International Narcotics Control and Law Enforcement assistance should be made available for preliminary work by the Department of State and other entities to establish cooperation with appropriate agencies of the Cuban government on counter-narcotics matters. The money would not be available if the President certified 1) that Cuba does not have in place appropriate procedures to protect against the loss of innocent life in the air and on the ground in connection with the interdiction of illegal drugs and 2) that there is evidence of involvement of the Cuban government in drug trafficking. In contrast, Section 581 of the House bill provided that none of the funds appropriated for “International Narcotics Control and Law Enforcement” may be made available for assistance to the Cuban government. Final action on the Foreign Operations measure was not completed before the end of the 107th Congress.

In the end, the final version of the FY2003 omnibus appropriations measure in the 108th Congress, H.J.Res. 2 (P.L. 108-7), which included Foreign Operations funding, did not include either the House or Senate provisions on anti-drug cooperation with Cuba. The Senate version of H.J.Res. 2, included a provision (Division E, Foreign Operations appropriations, Sec. 580) similar to the Senate bill in the 107th Congress described above. It would have provided \$3 million for international narcotics control and law enforcement assistance for preliminary work to establish cooperation with Cuba on counter-narcotics matters.

Similar legislative action took place on FY2004 appropriations. The House-passed version of the foreign operations appropriations measure, H.R. 2800, would have provided, in Section 571, that no International Narcotics Control and Law Enforcement Funds be made available for assistance to Cuba. The House Appropriations Committee report to the bill (H.Rept. 108-222) asserted that “full reporting and transparency by the Cuban Government and United States monitoring of the use of counter-narcotics assistance in Cuba would be difficult if not impossible, according to the State Department, given Cuban hostility toward the United States Government.” In contrast, the Senate-passed version of the bill, H.R. 2800 (Section 680), would have provided \$5 million in International Narcotics Control and Law Enforcement assistance for preliminary work to establish cooperation with Cuba on counter-narcotics matters. The money would not have been available if Cuba did not have in place appropriate procedures to protect against the loss of life in connection with the interdiction of illegal drugs or if there were evidence that the Cuban government was involved in drug trafficking. In the end, neither the Senate nor the House provision was included in the conference on H.R. 2673 (H.Rept. 108-401), the Consolidated Appropriations Act for FY2004, which incorporates seven regular appropriations acts, including foreign operations in Division D.

Again for FY2005, the House-passed version of the foreign operations measure, H.R. 4818, included a provision, in Section 572, that no International Narcotics Control and Law

³⁸ Anthony Boadle, “U.S. Thanks Cuba, But Declines Anti-Drug Accord,” *Reuters*, March 19, 2002.

³⁹ U.S. Department of State, State Department Regular Briefing, March 19, 2002.

Enforcement Funds be made available for assistance to Cuba. In contrast, as in the past several years, the Senate-passed version of the bill would have provided (Sec. 5091) \$5 million to establish cooperation with appropriate agencies of the Cuban government on counter-narcotics matters. The money would not be available if the President certified that Cuba did not have in place appropriate procedures to protect against the loss of innocent life in the air and on the ground in connection with the interdiction of illegal drugs and there was evidence of involvement of the Cuban government in drug trafficking. Ultimately, neither provision was included in the FY2005 omnibus appropriations measure (H.R. 4818, H.Rept. 108-792).

Another freestanding legislative initiative introduced in the 108th Congress, H.R. 1432 (Rangel), introduced March 25, 2003, would have authorized the Secretary of State to enter into negotiations with representatives of the Cuban government to establish cooperation between the United States and Cuba on illicit narcotics control efforts.

Cuba and Terrorism ⁴⁰

Cuba was added to the State Department's list of states sponsoring international terrorism in 1982 because of its alleged ties to international terrorism and its support for terrorist groups in Latin America. Cuba had a history of supporting revolutionary movements and governments in Latin America and Africa, but in 1992 Fidel Castro said that his country's support for insurgents abroad was a thing of the past. Cuba's change in policy was in large part because of the breakup of the Soviet Union, which resulted in the loss of billions of dollars in annual subsidies to Cuba, and led to substantial Cuban economic decline.

Cuba remains on the State Department's terrorism list. According to the State Department's April 2004, *Patterns of Global Terrorism* report, while Cuba ratified all 12 international counterterrorism conventions in 2001, it has remained opposed to the U.S.-led global coalition against terrorism and "actively condemned many associated U.S. policies and actions throughout 2003."

The State Department report also noted that Cuba continued to host several members of Foreign Terrorist Organizations as well as some U.S. fugitives from justice. The report maintained that Cuba provides safehaven to up to 20 Basque ETA terrorists from Spain and has provided "some degree of safehaven and support" to members of two Colombian insurgent groups, the Revolutionary Armed Forces of Colombia (FARC) and the National Liberation Army (ELN). The report acknowledged, however, that Colombia acquiesced to having the two groups in Cuba; it also noted that Colombia has publicly said that it wants Cuba's continued mediation with the ELN in Cuba. With regard to the ETA members, the report cited a Cuban declaration in May 2003 that maintained that the ETA presence in Cuba stemmed from a request from Spain and Panama, and that the issue is a bilateral matter between Cuba and Spain.

In general, those who support keeping Cuba on the terrorism list argue that there is ample evidence that Cuba supports terrorism. They point to the government's history of supporting terrorist acts and armed insurgencies in Latin America and Africa. They point to the government's continued hosting of members of foreign terrorist organizations and U.S. fugitives from justice. Critics of retaining Cuba on the terrorism list maintain that it is a holdover of the Cold War. They argue that domestic political considerations keep Cuba on the terrorism list and maintain that Cuba's presence on the list diverts U.S. attention from struggles against serious terrorist threats.

⁴⁰ For further information, see CRS Report RL32251, *Cuba and the State Sponsors of Terrorism List*, by Mark P. Sullivan.

Although Cuba offered support to the United States in the aftermath of the World Trade Center and Pentagon attacks in 2001, Fidel Castro also stated that the attacks were in part a consequence of the United States having applied “terrorist methods” for years.⁴¹ Cuba’s subsequent statements became increasingly hostile, according to press reports, which quoted Cuba’s mission to the United Nations as describing the U.S. response to the U.S. attacks as “fascist and terrorist” and that the United States was using the attack as an excuse to establish “unrestricted tyranny over all people on Earth.”⁴² Castro himself said that the U.S. government was run by “extremists” and “hawks” whose response to the attack could result in an “infinite killing of innocent people.”⁴³

The Cuban government, however, had a much more muted reaction to the U.S. decision to send captured Taliban and Al Qaeda fighters from Afghanistan to the U.S. naval base at Guantanamo Bay, Cuba. Although the Cuban government objects to the U.S. presence at Guantanamo as a national security threat and opposes the presence as illegal, it has not opposed the new mission of housing detainees from Afghanistan.⁴⁴ The Cuban government has, however, expressed concerns about the treatment of terrorist suspects at Guantanamo. (Also see “Guantanamo Naval Base” below.)

Cuba as the Victim of Terrorism

Cuba has been the target of various terrorist incidents over the years. In 1976, a Cuban plane was bombed, killing 73 people. In 1997, there were almost a dozen bombings in the tourist sector in Havana and in the Varadero beach area in which an Italian businessman was killed and several others were injured. Two Salvadorans were convicted and sentenced to death for the bombings in March 1999, and three Guatemalans were sentenced to prison terms ranging from 10-15 years in January 2002. Cuban officials maintain that Cuban exiles funded the bombings.

In November 2000, four anti-Castro activists were arrested in Panama for a plot to kill Fidel Castro. One of the accused, Luis Posada Carriles, was allegedly involved in the 1976 airplane bombing of a Cuban airliner.⁴⁵ The four stood trial in March 2004 and were sentenced in April to prison terms ranging from seven to eight years. In late August 2004, Panamanian President Mireya Moscoso pardoned the four men before the end of her presidential term. Three of the men are U.S. citizens and traveled to Florida, where they received strong support from some in the Cuban American community, while Posada Carriles reportedly traveled to another country. The pardons resulted in Cuba breaking diplomatic relations with Panama, although Panama’s newly inaugurated President Martin Torrijos, who disagreed with the pardon, has vowed to work toward the restoration of relations. U.S. State Department officials did not criticize President Moscoso’s pardon of the four, but maintained that they did not lobby Panama for the pardons.⁴⁶

Cuba and Biological Weapons?

In 2002, the State Department made controversial allegations that Cuba, which has an advanced biotechnology sector, has been involved in developing biological weapons. On May 6, 2002, Under Secretary of State for Arms Control and International Security John Bolton stated that “the

⁴¹ Andrew Cawthorne, “Cuba’s Castro Urges U.S. to Keep Calm,” Reuters, September 11, 2001.

⁴² Kevin Sullivan, “Castro Warns About U.S. Military Plans,” *Washington Post*, September 23, 2001, p. A38.

⁴³ Ibid.

⁴⁴ For more information, see CRS Report RL31367, *Treatment of “Battlefield Detainees” in the War on Terrorism*, by Jennifer Elsea.

⁴⁵ Frances Robles, “An Old Foe of Castro Looks Back on His Fight,” *Miami Herald*, September 4, 2003.

⁴⁶ George Gedda, “Terrorists or Liberators?,” *Washington Times*, September 4, 2004.

United States believes that Cuba has at least a limited offensive biological warfare research-and-development effort” and “has provided dual-use technology to other rogue states.” Bolton called on Cuba “to cease all BW-applicable cooperation with rogue states and to fully comply with all of its obligations under the Biological Weapons Convention.” Although Bolton’s statement received considerable media attention, it was similar to a March 19, 2002 statement by Assistant Secretary of State for Intelligence and Research Carl Ford before the Senate Committee on Foreign Relations.

When questioned on the issue, Secretary of State Powell maintained that Under Secretary Bolton’s statement was not based on new information. Powell asserted that the United States believes Cuba has the capacity and the capability to conduct research on biological weapons but emphasized that the Administration had not claimed that Cuba had such weapons. Some observers viewed Powell’s statement as contradicting that of Under Secretary Bolton.⁴⁷

In response to Under Secretary Bolton’s statement, the Cuban government called the allegations a lie and maintained that the Bush Administration was trying to justify its hard-line policies just when the momentum is increasing in the United States to ease the embargo. During his trip to Cuba, former President Jimmy Carter criticized the Bush Administration over the allegations and said that Administration officials who had briefed him before the trip assured him that Cuba had not shared anything with other countries that could be used for terrorist purposes.⁴⁸

The Senate Foreign Relations Committee’s Subcommittee on Western Hemisphere, Peace Corps, and Narcotics Affairs held a hearing on the issue on June 5, 2002.⁴⁹ At the hearing, Assistant Secretary of State for Intelligence and Research Carl Ford distinguished between the term “effort” and “program,” and maintained that Cuba has a biological weapons effort and not a biological weapons program. Ford characterized a program as something substantial and multifaceted that includes test facilities, production facilities, and a unit within the military specifically designated for such weapons capability. In contrast, he characterized an effort as the research and development that would be necessary to create biological weapons.

In late June 2003, news reports stated that an employee of the State Department’s Bureau of Intelligence and Research maintained that Undersecretary Bolton’s assertions about Cuba and biological weapons were not supported by sufficient intelligence.⁵⁰

U.S. government concerns about Cuba’s capability to produce biological weapons dates back several years. In 1998, then U.S. Secretary of Defense William Cohen stated in a transmittal letter (accompanying a report to Congress on Cuba’s threat to U.S. national security) that he was “concerned about Cuba’s potential to develop and produce biological agents, given its biotechnology infrastructure...”⁵¹

Cuba began building up its biotechnology industry in the 1980s and has spent millions investing in the sector. The industry was initially geared “to apply biotechnology and genetic engineering to

⁴⁷ David Gonzalez, “Carter and Powell Cast Doubt on Bioarms in Cuba,” *New York Times*, May 14, 2002.

⁴⁸ Kevin Sullivan, “Carter Says He Was Told U.S. Had No Proof Cuba Shared Bioweapons Data,” *Washington Post*, May 14, 2002, p. 14.

⁴⁹ U.S. Congress. Senate Committee on Foreign Relations. Subcommittee on Western Hemisphere, Peace Corps and Narcotics Affairs. Cuba’s Pursuit of Biological Weapons: Fact or Fiction? 107th Congress, June 5, 2002. S.Hrg. 107-736.

⁵⁰ James Risen and Douglas Jehl, “Expert Said to Tell Legislators He Was Pressed to Distort Some Evidence,” *New York Times*, June 25, 2003.

⁵¹ United States Information Agency, “Text: Defense Secretary’s Letter to Thurmond on Cuban Threat,” May 6, 1998.

agriculture in order to increase yields” but has also produced numerous vaccines, interferon, and other drugs and has exported many of its biotechnology products.⁵² In 1999, the British pharmaceutical company GlaxoSmithKline announced an agreement to test and market a new Cuban meningitis vaccine that might eventually be used in the United States.⁵³ In May 2003, the Center for Defense Information published a report on a delegation sent to Cuba that visited nine Cuban biotechnology facilities.⁵⁴

In March 30, 2004, congressional testimony before the House International Relations Committee, Under Secretary of State John Bolton asserted that “Cuba remains a terrorist and BW threat to the United States.” According to Bolton: “The Bush Administration has said repeatedly that we are concerned that Cuba is developing a limited biological weapons effort, and called on Fidel Castro to cease his BW aspirations and support of terrorism.” Bolton went on to add a caveat, however, that “existing intelligence reporting is problematic, and the Intelligence Community’s ability to determine the scope, nature, and effectiveness of any Cuban BW program has been hampered by reporting from sources of questionable access, reliability, and motivation.”⁵⁵ The *New York Times* reported on September 18, 2004 that the Bush Administration, using more stringent intelligence standards, had “concluded that it is no longer clear that Cuba has an active, offensive bio-weapons program.”⁵⁶

Cuban Spies in the United States

Over the past several years, the FBI has arrested and convicted several Cuban intelligence agents in the United States. In June 2001, five members of the so-called “Wasp Network” were convicted on espionage charges by a U.S. Federal Court in Miami. Sentences handed down in December 2001 ranged from 15 years to life in prison. The group tried to penetrate U.S. military bases and exile groups. The Cuban government has vowed to work for the return of the five spies who have been dubbed “Heroes of the Republic” by Cuba’s National Assembly. In addition to the five, a married couple was sentenced in January 2002 to prison terms of seven years and 3½ years for their participation in the spy network.

In addition, two U.S. government officials have been implicated in spying for Cuba. In February 2000, an Immigration and Naturalization Service (INS) official from Miami, Mariano Faget, was arrested and ultimately convicted in May 2000 for passing classified information to a friend with ties to Cuba. He was sentenced to five years in prison in June 2001. The case led to the State Department’s expulsion of a Cuban diplomat working in Washington D.C.

On September 21, 2001, Defense Intelligence Agency (DIA) analyst Ana Montes was arrested on charges of spying for the Cuban government. Montes reportedly supplied Cuba with classified information about U.S. military exercises and other sensitive operations.⁵⁷ On March 19, 2002, Montes pled guilty to spying for the Cuban government for 16 years, during which she divulged

⁵² Teo A. Babun, Jr., “A Business Guide to Cuba,” *CubaNews*, Miami Herald Publishing Company, 1996, pp. 66-67.

⁵³ Michael Kranish, “Biotechnology; Incubating Biotech Cuba Become Biotech Hotbed,” *Boston Globe*, May 15, 2002, p. D1.

⁵⁴ Glenn Baker, ed. *Cuban Biotechnology, A First-Hand Report*, Center for Defense Information, Washington, D.C. May 2003. 50 p.

⁵⁵ House International Relations Committee, “The Bush Administration and Nonproliferation: A New Strategy Emerges,” Hearing, March 30, 2004. *Federal News Service*.

⁵⁶ Steven R. Weisman, “In Stricter Study, U.S. Scales Back Claim on Cuba Arms,” *New York Times*, September 18, 2004.

⁵⁷ Bill Miller and Walter Pincus, “Defense Analyst Accused of Spying for Cuba, Woman Passed Classified Information on Military Exercises, FBI Says,” *Washington Post*, September 22, 2001, p. A1.

the names of four U.S. government intelligence agents working in Cuba and information about a “special access program” related to U.S. national defense. On October 16, 2002, Montes was sentenced to 25 years in prison in exchange for her cooperation with prosecutors as part of a plea bargain.

In response to the espionage case, in early November 2002 the U.S. Department of State ordered the expulsion of four Cuban diplomats in the United States, two from the Cuban Interests Section in Washington D.C. and two from Cuba’s U.N. Mission in New York. Cuba strongly asserted that the diplomats were not involved in intelligence activities. On May 13, 2003, the Bush Administration ordered the expulsion of 14 more Cuban diplomats from the United States, seven from Cuba’s U.N. Mission and seven from the Cuban Interests Section in Washington for espionage. Cuba call the action an “irrational act of vengeance and claimed that the United States was trying to provoke a confrontation that could result in the closure of the diplomatic offices in each country.”⁵⁸ In December 2003, the State Department expelled a third secretary of the Cuban Interests Section in Washington.

Guantanamo Naval Base ⁵⁹

The 45-square mile U.S. naval facility at Guantanamo Bay, Cuba, has been a U.S. base since 1903, and under a 1934 treaty that remains in force, the U.S. presence can only be terminated by mutual agreement or by abandonment by the United States. When Fidel Castro assumed power in the 1959 Cuban revolution, the new government gave assurances that it would respect all its treaty commitments, including the 1934 treaty covering the Guantanamo base. Subsequently, however, as U.S.-Cuban relations deteriorated, the Cuban government opposed the presence as illegal.

The mission of the base has changed over time. During the Cold War, the base was viewed as a good location for controlling Caribbean sea lanes, as a deterrent to the Soviet presence in the Caribbean, and as a location for supporting potential military operations in the region. In 1994-1995, the base was used to house thousands of Cubans and Haitians fleeing their homeland, but by 1996 the last of refugees had departed, with most Cubans paroled into the United States, pursuant to a May 1995 U.S.-Cuban migration accord. Since the 1995 accord, the U.S. Coast Guard has interdicted thousands of Cubans at sea and returned them to Cuba, while a much smaller number, those deemed at risk for persecution, have been take to Guantanamo and then granted asylum in a third country. In the aftermath of increased violence in Haiti in February 2004, the base reportedly was being considered as a contingency option to house Haitian migrants in the event of a mass exodus from Haiti.⁶⁰

Another mission for the Guantanamo base emerged with the U.S.-led global campaign against terrorism in the aftermath of the September 11, 2001, terrorist attacks in the United States. With the U.S. war in Afghanistan in 2001, the United States decided to send captured Taliban and Al Qaeda fighters to be imprisoned in Guantanamo. Although the Cuban government objects to the U.S. presence at Guantanamo, it has not opposed the new mission of housing detainees. Defense

⁵⁸ Nancy San Martin and Tim Johnson, “U.S. Seeks to Create a Crisis, Cuba Says Expulsions Cited as Vengeance,” *Miami Herald*, May 15, 2003.

⁵⁹ Background information on Guantanamo is drawn from out of print CRS Report 94-701, *Guantanamo Bay Naval Base, Cuba: Background and Current Issues*, by Ronald O’Rourke and Mark P. Sullivan, Sept. 2, 1994; copies available from author, Mark Sullivan at 7-7689.

⁶⁰ Jerry Seper, “U.S. Prepares for Haitian Refugees; Guantanamo Could Hold 20,000,” *Washington Times*, February 24, 2004.

Minister Raul Castro noted that, in the unlikely event that a prisoner would escape into Cuban territory, Cuba would capture the prisoner and return him to the base.⁶¹ The Cuban government, however, has expressed concerns about the treatment of prisoners at the U.S. base and has said it will keep pressing the international community to investigate the treatment of terrorist suspects. At present, some 600 detainees are being held at Guantanamo.

Radio and TV Marti

U.S.-government sponsored radio and television broadcasting to Cuba—Radio and TV Marti—began in 1985 and 1990 respectively. As spelled out in the *Broadcasting Board of Governors FY2005 Budget Request*, the objectives of Radio and TV Marti are 1) to support the right of the Cuban people to seek, receive, and impart information and ideas through any media and regardless of frontiers; 2) to be effective in furthering the open communication of information and ideas through use of radio and television broadcasting to Cuba; 3) to serve as a consistently reliable and authoritative source of accurate, objective, and comprehensive news; and 4) to provide news, commentary, and other information about events in Cuba and elsewhere to promote the cause of freedom in Cuba.

TV Marti broadcasts for four and one-half hours daily from facilities in Cudjoe Key, Florida; on May 20, 2002, the broadcast schedule was changed from the early hours of 3:30 a.m. - 8:00 a.m. to the evening hours of 6:00 p.m. - 10:30 p.m. In addition, TV Marti began broadcasting on the Hispasat satellite 24 hours a day in September 2003. According to the Broadcasting Board of Governors Fiscal Year 2005 Budget Request, the Office of Cuba Broadcasting (OCB) proposes to close down the existing aerostat transmission system in Cudjoe Key, Florida, in September 2004.

Radio Marti broadcasts 24 hours a day on short and medium wave (AM) channels. Surveys of Cubans have shown a Radio Marti listenership of 9% in 2000 and 5% in 2001.⁶² There has been testing of various methods to overcome Cuban jamming efforts.

Until October 1999, U.S.-government funded international broadcasting programs had been a primary function of the United States Information Agency (USIA). When USIA was abolished and its functions were merged into the Department of State at the beginning of FY2000, the Broadcasting Board of Governors became an independent agency that included such entities as the Voice of America (VOA), Radio Free Europe/Radio Liberty (RFE/RL), Radio Free Asia, and the Office of Cuba Broadcasting (OCB), which manages Radio and TV Marti. OCB is headquartered in Miami, Florida. Legislation in the 104th Congress (P.L. 104-134) required the relocation of OCB from Washington D.C. to south Florida. The move began in 1996 and was completed in 1998.

Both Radio and TV Marti have at times been the focus of controversies, including adherence to broadcast standards. There have been various attempts over the years to cut funding for the programs, especially for TV Marti, which has not had an audience because of Cuban jamming efforts. Various studies and audits of these programs have been conducted, including investigations by the U.S. General Accounting Office, by a 1994 congressionally established Advisory Panel on Radio and TV Marti, and by the State Department's Office of the Inspector

⁶¹ "Cuba Would Hand Over Escapees, Raul Castro Says," *Miami Herald*, January 20, 2002.

⁶² Brian Conniff, Acting Director, International Broadcasting Bureau, Broadcasting Board of Governors, Testimony before the House International Relations Committee, Subcommittee on International Operations and Human Rights, June 6, 2002.

General.⁶³ (For background on Cuba broadcasting through 1994, see CRS Report 94-636, *Radio and Television Broadcasting to Cuba: Background and Issues through 1994*.)

From FY1984 through FY2004, Congress has appropriated about \$460 million for broadcasting to Cuba, with about \$281 million for Radio Marti (since FY1984) and \$179 million for TV Marti (since FY1989).

Debate on TV Marti

In the various congressional debates on TV Marti over the years, opponents of continued funding of the program maintain that virtually the only people who see TV Marti in Cuba are those Cubans who visit the consular section of the U.S. Interests Section in Havana, which has a waiting room in which TV Marti may be viewed. These critics argue that almost \$180 million has been spent by the United States for TV Marti, while the Cuban government only needs to spend a few thousand dollars to jam the broadcasts effectively. They argue that TV Marti is a waste of taxpayers' money because it does not contribute to the promotion of freedom and democracy in Cuba, unlike Radio Marti, which some Cubans listen to as a source of information. Opponents also argue that the conversion of TV Marti from VHF to UHF transmission has not succeeded in overcoming Cuba's jamming efforts.

In contrast, supporters of continued TV Marti funding point to a congressionally mandated Advisory Panel in 1994, which stated that "the Cuban people have an ardent desire and a genuine need to receive the programming produced by TV Marti."⁶⁴ Supporters argue that eliminating TV Marti would send a message to the Cuban people that the United States is not committed to the cause of freedom in Cuba. They believe that eliminating TV Marti would be giving in to the dictatorial Castro government, which suppresses the free flow of information in Cuba. These proponents contend that it is impossible for the Cuban government to completely jam TV Marti, and maintain that significant numbers of Cubans have attempted to tune in to the programming. Still others point to the potential use of TV Marti in the event of a crisis or upheaval in Cuba's future, and argue that in such a scenario, it would be important to have TV Marti available as a news source.

Airborne Broadcasts

In early May 2004, the Commission for Assistance for a Free Cuba called for the immediate deployment of the EC-130E/J Commando Solo airborne platform for weekly airborne radio and television broadcasts to Cuba in order to overcome Cuban jamming. It also called for funds "to acquire and refit a dedicated airborne platform for full-time transmission of Radio and TV Marti into Cuba." In support of these recommendations, President Bush directed that up to \$18 million

⁶³ See the following reports and audits: U.S. General Accounting Office (GAO), *Broadcasts to Cuba, TV Marti Surveys are Flawed*, GAO/NSIAD-90-252, August 1990; U.S. GAO, *TV Marti, Costs and Compliance with Broadcast Standards and International Agreements*, GAO/NSIAD-92-199, May 1992; U.S. GAO, Letter to Hon. Howard L. Berman and Hon. John F. Kerry regarding Radio Marti broadcast standards, GAO/NSIAD-93-126R, February 17, 1993; Advisory Panel on Radio and TV Marti, *Report of the Advisory Panel on Radio and TV Marti*, Three Volumes, March 1994; U.S. GAO, *Radio Marti, Program Review Processes Need Strengthening*, GAO/NSIAD-94-265, September 1994; U.S. GAO, *U.S. Information Agency, Issues Related to Reinvention Planning in the Office of Cuba Broadcasting*, GAO/NSIAD-96-110, May 1996; and U.S. Department of State, Office of the Inspector General, *Review of Policies and Procedures for Ensuring that Radio Marti Broadcasts Adhere to Applicable Requirements*, 99-IB-010, June 1999.

⁶⁴ Advisory Panel on Radio Marti and TV Marti, *Report of the Advisory Panel on Radio Marti and TV Marti*, Executive Summary, March 1994.

be committed “for regular airborne broadcasts to Cuba and the purchase of a dedicated airborne platform for the transmission of Radio and Television Marti into Cuba.” The longer term proposal for a dedicated airborne platform would not be a military aircraft but an aircraft acquired and operated by the Broadcasting Board of Governors’ Office of Cuba Broadcasting (OCB). Assistant Secretary of State for Western Hemisphere Affairs Noriega indicated that some of the funding may come from existing resources already provided for Cuba broadcasting, while there may be additional resources provided.⁶⁵

At present, there are six EC-130E/J Commando Solo aircraft flown by the Air Force Special Operations Wing at Harrisburg, Pennsylvania. The aircraft are specialized assets that have been used to conduct information operations, psychological operations, and civil affairs broadcasts worldwide including Grenada in 1983, Operation Desert Storm in 1990-1991, Kosovo in 1999, Operation Enduring Freedom in Afghanistan, and Operation Iraqi Freedom.⁶⁶ In May 2003, the aircraft was used in a test to broadcast Radio and TV Marti to Cuba in an effort to overcome Cuban jamming of the U.S.-government broadcasts. The State Department announced that Radio and TV Marti were broadcast via the airborne platform for several hours on August 21, 2004.

While the production cost of the military aircraft range from \$70 million for the EC-130E to \$90 million for the EC-130J,⁶⁷ the cost of acquiring and refitting an aircraft to be operated by the Office of Cuba Broadcasting would be much less and would probably be covered by the amount of funding called for by the President.

FY2003 Funding

In September 2002, both houses approved the conference report (H.Rept. 107-671) to the Foreign Relations Authorization Act for FY2003 (H.R. 1646) that authorized \$25.923 million for Cuba broadcasting for FY2003. The President signed the measure into law on September 30, 2002 as P.L. 107-228.

The Bush Administration requested \$25.362 million for broadcasting to Cuba for FY2003, with about \$15 million for Radio Marti and \$10 million for TV Marti. In the 107th Congress, the Senate Appropriations Committee reported out its version of the FY2003 Commerce, Justice, State and Related Agencies (CJS) appropriations bill, S. 2778 (S.Rept. 107-218) on July 24, 2002, which would have provided \$24.996 million for Cuba broadcasting. Final action on the measure was not completed before the end of the 107th Congress. In the 108th Congress, the final version of the FY2003 omnibus appropriations bill, H.J.Res. 2 (P.L. 108-7), which includes Commerce, Justice and State appropriations in Division B, provides \$24.996 million for Radio and TV Marti broadcasting to Cuba.

FY2004 Funding

For FY2004, the Administration requested \$26.901 million for Cuba broadcasting, with \$16.355 million for Radio Marti and \$10.546 million for TV Marti. The House-approved version of the FY2004 Commerce, Justice, and State Department appropriations bill, H.R. 2799, would fund the Administration’s request for Cuba broadcasting under the International Broadcasting Operations Account, but without a specific earmark. The House Appropriations Committee report to the bill (H.Rept. 108-221) recommended full funding of the Administration’s Cuba broadcasting request.

⁶⁵ U.S. Department of State, Report to the President by the Commission for Assistance to a Free Cuba, Roger F. Noriega, Assistant Secretary for Western Hemisphere Affairs, Press Conference, May 6, 2004.

⁶⁶ U.S. Air Force Fact Sheet, “EC-130E/J COMMANDO SOLO,” April 2003.

⁶⁷ Ibid.

The Senate Appropriations Committee version of the bill, S. 1585, would provide \$28.201 million for Cuba broadcasting, \$1.2 million more than the Administration's request. According to the committee report to the bill, S.Rept. 108-144, the additional funding is to be used to enhance efforts to defeat Cuban government jamming. The Committee directed the Broadcasting Board of Governors and the Office of Cuba Broadcasting "to use all available means to overcome the jamming of Radio and TV Marti, including broadcasting via the Internet and satellite." In the end, funding for Commerce, Justice, and State Department appropriations was included in the FY2004 Consolidated Appropriations Act, H.R. 2673, (H.Rept. 108-401), which consisted of seven regular appropriations bills. The conferees funded Cuba broadcasting under International Broadcasting Operations Account, but without a specific earmark, and stated in the report that they expected the Broadcasting Board of Governors to provide \$1.2 million to pursue alternative means of transmission, including Internet transmission, of Cuba broadcasting.

FY2005

The Administration requested \$27.6 million for Cuba broadcasting, with \$17.4 million for Radio Marti and \$10.3 million for TV Marti, and this was fully funded in the FY2005 omnibus appropriations measure (H.R. 4818, H.Rept. 108-792). The Office of Cuba Broadcasting (OCB) is proposing to close down the existing aerostat transmission system for TV Marti in Cudjoe Key, Florida in September 2004, while the broadcast will continue to be carried on the Hispasat satellite. The OCB is reportedly continuing to explore ways of mitigating the jamming of TV Marti.

The House-passed version of the Commerce, Justice, and State appropriations measure, H.R. 4754, would have funded Cuba broadcasting under the International Broadcasting Operations account, but without a specific earmark. The report to the bill (H.Rept. 108-576) recommended full funding of the Administration's \$27.6 million request. The Senate version of the bill, S. 2809, as reported out of committee (S.Rept. 108-344) would have fully funded the Administration's request with a specific earmark of \$27.6 million under the International Broadcasting Operations account. In the end, funding was included in the FY2005 omnibus appropriations measure (H.R. 4818, H.Rept. 108-792), which earmarked \$27.6 million for Cuba broadcasting.

In terms of authorization legislation, the House-passed version of the State Department authorization bill for FY2004 and FY2005, H.R. 1950 (Hyde), would have authorized (Section 121) \$26.901 million for Cuba broadcasting for FY2004 and \$27.439 million for FY2005. Section 502 of the bill would have amended the Radio Broadcasting to Cuba Act to use additional AM frequencies and the FM and Shortwave bands to improve Radio Marti signal delivery to Cuba. Section 503 of the bill would require a report on efforts to counter jamming of Radio and TV Marti broadcasts. The Senate version of the bill for FY2005, S. 2144 (Section 111), would have authorized appropriations for radio and television broadcasting to Cuba within the International Broadcasting Operations account but without a specific earmark.

U.S. Funding to Support Democracy and Human Rights

Over the past several years, the U.S. Agency for International Development has provided assistance to increase the flow of information on democracy, human rights, and free enterprise to Cuba. USAID's Cuba program supports a variety of U.S.-based non-governmental organizations to promote rapid, peaceful transition to democracy, help develop civil society, and build solidarity with Cuba's human rights activists.⁶⁸ These efforts are funded through the annual foreign

⁶⁸ See USAID's Cuba program website: http://www.usaid.gov/locations/latin_america_caribbean/country/cuba/.

operations appropriations bill. In FY2001, \$4.989 million was provided for various Cuba projects; \$5 million was provided in FY2002; \$6 million was provided in FY2003; almost \$7 million will be provided in FY2004; and the Administration has requested \$9 million for FY2005.

For FY2004, the Administration requested \$7 million in Economic Support Funds for information dissemination to foster democratic progress and the development of a civil society in Cuba. The House-passed version of the FY2004 foreign operations appropriations bill, H.R. 2800, had no specific earmark for democracy funding for Cuba, but the House Appropriations Committee report to the bill, H.Rept. 108-122, noted that the committee fully supported the Administration's \$7 million request. The Senate-passed version of H.R. 2800 (Section 699G), would have provided not more than \$5 million in Transition Initiatives funds for "individuals and independent nongovernmental organizations to support democracy-building effort for Cuba," essentially opening up another spigot of funding for Cuba democracy projects. In the end, the conference on H.R. 2800 was included in Division D of P.L. 108-199 (H.R. 2673, H.Rept. 108-401), the FY2004 omnibus appropriations measure. The conferees did not earmark assistance for Cuba democracy programs, but the conference report recommended full funding of the Administration's \$7 million in Economic Support Funds for democracy programs supported by USAID.

For FY2005, the Administration requested \$9 million to back public diplomacy to promote democratization, respect for human rights, and the development of a free market economy in Cuba. The House-passed version of the FY2005 foreign operations appropriations bill, H.R. 4818, did not specifically earmark such assistance for Cuba, but the House Appropriations Committee's report to the bill (H.Rept. 108-599) noted that the committee fully supports the Administration's budget request. In final action, Congress fully funded the \$9 million request for Cuba projects in the FY2005 omnibus appropriations (H.R. 4818, H.Rept. 108-792).

In terms of authorization legislation, the House-passed version of the Foreign Relations authorization bill for FY2004 and FY2005, H.R. 1950, would, in Section 1807, have authorized \$15 million for each of FY2004 and FY2005 to support democracy-building efforts for Cuba. The Senate version of the authorization measure, S. 2144, the Foreign Affairs Authorization Act, Fiscal Year 2005, had no such provision.⁶⁹ In addition, another legislative initiative introduced in the 108th Congress, S. 1089 (Ensign), would have authorized \$15 million to support democracy building in Cuba and \$30 million to the President to establish a fund to provide assistance to a transition government in Cuba.

In early May 2004, the President endorsed the recommendation of the Commission for Assistance to a Free Cuba and directed that up to \$29 million be made available for democracy-building activities for Cuba to augment the \$7 million in FY2004 funding already being provided by USAID. It is unclear how the additional assistance relates to the FY2005 budget request of \$9 million for USAID projects to promote democratization. In addition, the President directed that \$5 million for public diplomacy initiatives be provided to "illuminate the reality of Castro's Cuba."

In addition to funding through foreign operations appropriations, the United States provides democratization assistance for Cuba through the National Endowment for Democracy (NED), which is funded through the annual Commerce, Justice, and State (CJS) appropriations measure. Cuba funding through NED has steadily increased over the past several years. NED-funded

⁶⁹ For more information on these bills, see CRS Report RL31986, *Foreign Relations Authorization, FY2004 and FY2005: State Department and Foreign Assistance*, coordinated by Susan Epstein.

democracy projects for Cuba amounted to \$765,000 in FY2001; \$841,000 in FY2002; and \$1.143 million in FY2003.

Migration Issues⁷⁰

1994 and 1995 Agreements

In 1994 and 1995, Cuba and the United States reached two migration accords designed to stem the mass exodus of Cubans attempting to reach the United States by boat. On the minds of U.S. policymakers was the 1980 Mariel boatlift in which 125,000 Cubans fled to the United States with the approval of Cuban officials. In response to Castro's threat to unleash another Mariel, U.S. officials reiterated U.S. resolve not to allow another exodus. Amidst escalating numbers of fleeing Cubans, on August 19, 1994, President Clinton abruptly changed U.S. migration policy, under which Cubans attempting to flee their homeland were allowed into the United States, and announced that the U.S. Coast Guard and Navy would take Cubans rescued at sea to the U.S. naval base at Guantanamo Bay, Cuba. Despite the change in policy, Cubans continued fleeing in large numbers.

As a result, in early September 1994, Cuba and the United States began talks that culminated in a September 9, 1994 bilateral agreement to stem the flow of Cubans fleeing to the United States by boat. In the agreement, the United States and Cuba agreed to facilitate safe, legal, and orderly Cuban migration to the United States, consistent with a 1984 migration agreement. The United States agreed to ensure that total legal Cuban migration to the United States would be a minimum of 20,000 each year, not including immediate relatives of U.S. citizens. In a change of policy, the United States agreed to discontinue the practice of granting parole to all Cuban migrants who reach the United States, while Cuba agreed to take measures to prevent unsafe departures from Cuba.

In May 1995, the United States reached another accord with Cuba under which the United States would parole the more than 30,000 Cubans housed at Guantanamo into the United States, but would intercept future Cuban migrants attempting to enter the United States by sea and would return them to Cuba. The two countries would cooperate jointly in the effort. Both countries also pledged to ensure that no action would be taken against those migrants returned to Cuba as a consequence of their attempt to immigrate illegally. On January 31, 1996, the Department of Defense announced that the last of some 32,000 Cubans intercepted at sea and housed at Guantanamo had left the U.S. Naval Base, most having been paroled into the United States.

Elían Gonzalez Case⁷¹

From late November 1999 through June 2000, national attention became focused on Cuban migration policy as a result of the Elían Gonzalez case, the five-year old boy found clinging to an inner tube off the coast of Fort Lauderdale. The boy's mother drowned in the incident, while his father, who resided in Cuba, called for his return. Although the boy's relatives in Miami wanted him to stay in the United States, the Immigration and Naturalization Service ruled that the boy's father had the sole legal authority to speak on his son's behalf. After numerous legal appeals by the Miami relatives were exhausted, the boy returned to Cuba with his father in June 2000. In Cuba, Fidel Castro orchestrated numerous mass demonstrations and a media blitz on the issue

⁷⁰ For more, see CRS Report RS20468, *Cuban Migration Policy and Issues*, by Ruth Ellen Wasem.

⁷¹ For more information, see CRS Report RS20450, *The Case of Elían Gonzalez: Legal Basics*, by Larry M. Eig.

until the boy's return. The case generated an outpouring of emotion among the Cuban population as well as in south Florida.

Wet Foot/Dry Foot Policy

Since the 1995 migration accord, the U.S. Coast Guard has interdicted thousands of Cubans at sea and returned them to their country, while those deemed at risk for persecution have been transferred to Guantanamo and then found asylum in a third country. Those Cubans who reach shore are allowed to apply for permanent resident status in one year, pursuant to the Cuban Adjustment Act of 1966 (P.L. 89-732). This so-called "wet foot/dry foot" policy has been criticized by some as encouraging Cubans to risk their lives in order to make it to the United States and as encouraging alien smuggling. Others maintain that U.S. policy should welcome those migrants fleeing Communist Cuba whether or not they are able to make it to land.

U.S. prosecution against migrant smugglers in Florida has increased in recent years with numerous convictions. There have been several violent incidents in which Cuban migrants have brandished weapons or in which Coast Guard officials have used force to prevent Cubans from reaching shore. In July 2003, a U.S. federal court in Florida convicted a Cuban national for hijacking a plane to Key West on April 1, 2003. Another six Cubans were convicted in Key West in December 2003 for hijacking a Cubana Airlines plane to Florida in March 2003.

The Cuban government has taken forceful action against individuals engaging in alien smuggling. Prison sentences of up to three years may be imposed against those engaging in alien smuggling, and for incidents involving death or violence, a life sentence may be imposed. On April 11, 2003, the Cuban government executed three men who had hijacked a ferry in Havana on April 2 in an attempt to reach the United States. The ferry hijacking had been preceded by the hijacking of two small planes to the United States. The summary execution prompted worldwide condemnation of the Cuban government. The Cuban government maintained that it took the action to prevent additional hijackings.

The U.S. Interest Section in Havana has officers that visit the homes of returned migrants to assess the Cuban government's treatment of those repatriated. The Department of State (pursuant to P.L. 105-277, Section 2245) makes a semi-annual report to Congress on the methods employed by the Cuban government to enforce the 1994 migration agreement and on the Cuban government's treatment of those returned. In the most recent report to Congress, submitted in May 2004, the State Department noted that it has been unable to monitor returnees outside Havana since March 2003. The State Department noted, however, that prior to that time, "a majority of the returnees it monitored did not suffer retribution from the Cuban authorities as a result of their attempt to depart illegally" but noted that "there continued to be clear and credible instances of harassment and punishment of returnees."⁷²

On July 21, 2003, the U.S. Coast Guard repatriated 15 Cubans who had been interdicted on a Cuban government vessel that had been stolen on July 15 (12 of the Cubans were involved in stealing the boat and overpowered the three others who were guarding the government vessel.) The United States returned the Cubans after assurances from the Cuban government that no one would face execution and no one would serve more than 10 years in prison. The Cuban government lauded the return of the migrants for being in line with the 1995 migration agreement. The repatriation of the migrants prompted widespread criticism of the Administration in Florida and among some Members of Congress. Some critics called for an investigation into

⁷² U.S. Department of State. "Cuban Emigration Policies, Report Submitted by the Department of State Pursuant to Section 2245 of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (P.L. 105-277)" May 2004.

the U.S.-Cuban negotiations that led to the return of the migrants and some have called for the Administration to change the policy of repatriating those Cubans interdicted at sea. Supporters of the policy maintained that implementation of the migration accords is important for preventing another mass exodus of Cubans fleeing to the United States.

On October 10, 2003, the President announced that the United States would increase the number of new Cuban immigrants each year, improve the method of identifying refugees, redouble efforts to process Cubans seeking to leave Cuba, and initiate a public information campaign in Florida and Cuba to better inform Cubans of the routes to safe and legal migration to the United States. The President's announcement was in part a response to the criticism of the Administration's migration policy in the aftermath of the July 2003 repatriation of several Cubans involved in stealing a Cuban government vessel.

Migration Talks

Semi-annual U.S.-Cuban talks (held alternatively between Cuba and the United States) had been held regularly on the implementation of the 1994 and 1995 migration accords, but the State Department cancelled the 20th round of talks scheduled for January 8, 2004. According to the State Department, Cuba has refused to discuss five issues identified by the United States: (1) Cuba's issuance of exit permits to all qualified migrants; (2) Cuba's cooperation in holding a new registration for an immigrant lottery; (3) the need for a deeper Cuban port utilized by the U.S. Coast Guard for the repatriation of Cubans interdicted at sea; (4) Cuba's responsibility to permit U.S. diplomats to travel to monitor returned migrants; and (5) Cuba's obligation to accept the return of Cuban nationals determined to be excludable from the United States.⁷³

In response to the cancellation of the talks, Cuban officials maintained that the U.S. decision was irresponsible and that it was prepared to discuss all of the issues raised by the United States.⁷⁴ The last time talks were suspended was in 2000 by the Cuban government when Elian Gonzalez was in the United States. The cancellation of the talks has increased concern among those in Cuba seeking visas to migrate legally.

Excludables

Under a 1984 U.S.-Cuban migration accord, Cuba agreed to take back 2,746 so-called excludables, criminal alines and mentally ill people, who had arrived in the 1980 Mariel boatlift. To date, Cuba has taken back over 1,600 of those on the 1984 list. Another issue in U.S.-Cuban relations is the return of Cubans in the United States not on the 1984 list who are no longer eligible to remain in the United States because of criminal offenses. Over 900 Cubans reportedly fall into this category, and Cuba will not accept their return. (The Supreme Court announced in January 2004 that it would rule on whether the federal government can indefinitely imprison Cubans and other immigrants who have finished their prison sentences but whose home countries will not accept their return.)⁷⁵ The United States has proposed a technical working group from both governments to explore options that would allow for the return of some of these excludables.⁷⁶

⁷³ U.S. Department of State. State Department Regular Briefing, Richard Boucher. January 7, 2004.

⁷⁴ "Migration Talks Cancelled," *Miami Herald*, January 8, 2004.

⁷⁵ Charles Lane, "High Court to Consider Detention Case; Justices to Decide if U.S. Can Indefinitely Imprison Criminal Illegal Immigrants," *Washington Post*, January 17, 2004.

⁷⁶ U.S. Department of State. "Cuban Emigration Policies, Report Submitted by the Department of State Pursuant to

Legislation and Resolutions in the 107th Congress

P.L. 107-77 (H.R. 2500/S. 1215). State Department and Related Agencies Appropriations, FY2002. The measure fully funded the Administration's request of \$24.872 million for broadcasting to Cuba for FY2002. H.R. 2500 reported by the House Committee on Appropriations (H.Rept. 107-139) July 13, 2001. House passed (408-19), amended, July 18, 2001. S. 1215 reported by the Senate Committee on Appropriations July 20, 2001 (S.Rept. 107-42). On September 10, 2001, the Senate substituted the language of S. 1215 as its version of H.R. 2500, and on September 13, 2001 the Senate passed (97-3) the bill, amended. Conference report (H.Rept. 107-278) filed November 9, 2001. House approved conference (411-15) on November 14, 2001, and the Senate approved it (98-1) on November 15, 2001. Signed into law November 28, 2001.

P.L. 107-115 (H.R. 2506). Foreign Operations Appropriations, FY2002. Introduced and reported by the House Committee on Appropriations July 17, 2001 (H.Rept. 107-142). House passed (381-46) July 24, 2001. The House committee report to the bill notes that the Appropriations Committee fully supports the Administration's budget request of at least \$5 million aimed at promoting democracy in Cuba. Senate Committee on Appropriations reported its version September 2, 2001 (S.Rept. 107-58). Senate passed (96-2) October 24, 2001. The Senate version would have provided \$1.5 million for the Department of State and other agencies to establish cooperation with Cuba on counter-narcotics matters. Conference report (H.Rept. 107-345) filed December 19, 2001, without the Senate provision on counter-narcotics cooperation with Cuba. However, the conference report called for a report by the Secretary of State within six months on 1) the extent, if any of the direct involvement of the government of Cuba in illegal drug trafficking; 2) the likelihood that U.S. international narcotics assistance to the government of Cuba would decrease the flow of drugs transiting through Cuba, and 3) the degree to which the government of Cuba is exchanging with U.S. agencies drug-related law enforcement information. The conference report also encouraged the Administration to transmit to Congress, not later than nine months, any legislation necessary to decrease the flow of drugs to or from Cuba. House agreed (357-66) to the conference December 19; Senate agreed (unanimous consent) December 20. Signed into law January 10, 2002.

P.L. 107-228 (H.R. 1646). Foreign Relations Authorization Act, FY2002 and FY2003. Conference report (H.Rept. 107-671) filed September 23, 2002; Section 121 of the conference report version of the bill authorized \$25.923 million for FY2003 for Cuba broadcasting. House agreed to conference report by voice vote September 25, 2002; Senate agreed by unanimous consent September 26, 2002. Signed into law September 30, 2002.

H.Res. 91 (Smith, Christopher). Expressing the sense of the House of Representatives regarding the human rights situation in Cuba. House passed (347-44, 22 present) April 3, 2001.

S.Res. 272 (Nelson). Expresses support for the Varela Project. Introduced May 20, 2002. Senate Foreign Relations Committee reported May 29, 2002. Senate approved (87-0) June 10, 2002.

Section 2245 of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (P.L. 105-277)" October 2003.

Legislative Initiatives in the 108th Congress

FY2005 Consolidated Appropriations Act

H.R. 4818 (H.Rept. 108-792). Consolidated Appropriations Act for FY2005. Originally introduced as FY2005 Foreign Operations Appropriations, which the House approved on July 13, 2004, and the Senate approved, amended, on September 23, 2004. Conference report, H.Rept. 108-792, filed November 20, 2004, which incorporated nine regular appropriations bills. The House agreed (344-51) to the conference report on November 20, 2004, as did the Senate (65-30). The House is scheduled to complete action on a measure correcting the enrollment of H.R. 4818 before it is sent to the President.

Division A, covering agriculture appropriations, dropped the Cuba provision that had been included in the Senate committee version of S. 2803 (Section 776) that would have eased restrictions on travel to Cuba if it was related to the commercial sale of agricultural and medical products.

Division B, covering Commerce, Justice and State appropriations, dropped the Cuba provision in the House-passed version of H.R. 4754 (Section 801) that would have prohibited funds from being used to implement recent restrictions on gift parcels and on baggage for travelers. The omnibus measure also earmarks \$27.629 million for broadcasting to Cuba, the full amount requested by the Administration.

Division D, covering Foreign Operations appropriations, drops contrasting House- and Senate-approved provisions from the original versions of H.R. 4818 related to assistance for cooperation with Cuba on counter-narcotics matters. The Senate version would have provided \$5 million in International Narcotics Control and Law Enforcement assistance for such efforts, while the House version would have prohibited such assistance. The measure omnibus also earmarks \$9 million in Economic Support Funds, as requested by the Administration, for Cuba projects to promote democratization, respect for human rights, and the development of a free market economy.

Division H, covering Transportation/Treasury appropriations, drops all House and Senate provisions that would have eased Cuba sanctions. These consisted of three House provisions in H.R. 5025 that would have eased Cuba sanctions on family and educational travel and on private commercial sales of agricultural and medical products; and one Senate provision in the committee version S. 2806 that would have prohibited funds from administering or enforcing restrictions on Cuba travel.

FY2004 Consolidated Appropriations Act

P.L. 108-199 (H.R. 2673). Consolidated Appropriations Act for FY2004. Originally introduced as the FY2004 agriculture appropriations measure, which the House passed July 14, 2003, and the Senate passed November 6, 2003. On November 25, 2003, a conference report was filed, H.Rept. 108-401, which incorporated seven regular appropriations acts for the year. Conference report agreed to (242-176) in House November 25, 2003; agreed to (65-28) in Senate January 22, 2004. Signed into law January 23, 2004.

Division A, covering agriculture appropriations, dropped the Cuba provision that had been included in the Senate-approved version of H.R. 2673 (Section 760) that would have allowed travel to Cuba under a general license (without applying to the Treasury Department) for travel related to commercial sales of agricultural and medical goods.

Division B, covering Commerce, Justice, and State appropriations, funds Radio and TV broadcasting to Cuba under the International Broadcasting Operations Account, but without a specific earmark. The conferees state that they expect the Broadcasting Board of Governors to provide \$1.2 million to pursue alternative means of transmission, including Internet transmission, of Cuba broadcasting. The Administration requested \$26.901 million for Cuba broadcasting, with \$16.355 million for Radio Marti and \$10.546 million for TV Marti. Also see H.R. 2799/S. 1585 below.

Division D, covering foreign operations appropriations, did not include assistance for counter-narcotics cooperation with Cuba that had been in the Senate-approved version of H.R. 2800 (Section 680), nor did it include the provision in the House version of bill (Section 571) that would have prohibited such assistance. Division D also would fund democracy programs for Cuba. While the conferees did not earmark assistance for Cuba democracy programs in the bill, the conference report recommended full funding of the Administration's \$7 million in Economic Support Funds for democracy programs supported by USAID. The House-passed version of H.R. 2800 had no earmark (although the House report, H.Rept. 108-122, recommended full funding of the Administration's \$7 million request), while the Senate-passed version of H.R. 2800 (Section 699G) would have provided not more than \$5 billion in Transition Initiatives funds for democracy-building efforts for Cuba. Also see H.R. 2800/S. 1426 below.

Division F, covering Transportation-Treasury appropriations, dropped all provisions easing Cuba sanctions that had been included in the House- and Senate-approved versions of H.R. 2989. Both the House and Senate versions of H.R. 2989 had a nearly identical provision (Section 745 in the House version and Section 643 in the Senate version) that would have prevented funds from being used to administer or enforce restrictions on travel or travel-related transactions. In addition, the House version of H.R. 2989 had provisions that would have prevented funds from being used to administer or enforce restrictions on remittances (Section 746) and from being used to eliminate the travel category of people-to-people educational exchanges (Section 749). Also see H.R. 2989/S. 1589 below.

Human Rights and Democracy

P.L. 108-7 (H.J.Res. 2). Consolidated Appropriations Resolution, 2003. President signed into law February 20, 2003. While the measure does not earmark funding for human rights and democracy projects for Cuba, it does fund FY2003 Foreign Operations appropriations; the Administration's FY2003 foreign aid request had included \$6 million for such projects (\$5.750 was ultimately allocated by the Administration). Also see "Cuba Broadcasting" below for the law's provisions regarding Radio and TV Marti.

H.Con.Res. 16 (Andrews). To call for the immediate release of all political prisoners in Cuba, including Dr. Oscar Elias Biscet. Introduced January 28, 2003; referred to Committee on International Relations.

H.Con.Res. 125 (Deutsch). Expressing the sense of Congress regarding the arrests of Cuban democracy activists by the Cuban government. Introduced March 27, 2003; referred to Committee on International Relations.

H.R. 1201 (Ros-Lehtinen). Cuban Victims of Torture Act. To posthumously revoke the naturalization of Eriberto Mederos. Introduced March 11, 2003; referred to Committee on the Judiciary.

H.R. 1950 (Hyde). Foreign Relations Authorization Act, FY2004 and FY2005. Introduced May 5, 2003. Reported by Committee on International Relations May 16, 2003 (H.Rept. 108-105).

House (382-42) passed July 16, 2003. As approved, Section 1807 would authorize \$15 million for each of FY2004 and FY2005 to support democracy-building efforts for Cuba. (For additional provisions, see “Cuba Broadcasting” below.)

H.R. 2800 (Kolbe)/ S. 1426 (McConnell). FY2004 Foreign Operations Appropriations. H.R. 2800 introduced and reported by House Committee on Appropriations July 21, 2003 (H.Rept. 108-222). House passed (370-50) July 24, 2003. S. 1426 introduced and reported by Senate Committee on Appropriations July 17, 2003 (S.Rept. 108-106). Senate passed H.R. 2800 October 30, 2003, by voice vote. The bill funds the Administration’s request for human rights and democracy projects for Cuba. The House version does not earmark funding for such projects, although the House Appropriations Committee report to the bill notes that the committee fully supports the Administration’s \$7 million request in Economic Support Funds. The Senate-passed version, in Section 699G, provides not more than \$5 million in Transition Initiatives funding to support democracy-building efforts for Cuba. (Also see “Anti-Drug Cooperation” below for additional provisions.) For further action, see P.L. 108-199 (H.R. 2673), Consolidated Appropriations Act for FY2004, above.

H.R. 4818 (Kolbe)/S. 2812 (McConnell). FY2005 Foreign Operations Appropriations. H.R. 4818 introduced and reported (H.Rept. 108-599) by the House Appropriations Committee July 13, 2004. House approved (365-41), amended, July 15, 2004. S. 2812 reported (S.Rept. 108-346) by the Senate Appropriations Committee September 15, 2004. Senate approved H.R. 4818, amended, by voice vote on September 23, 2004. Neither version specifically earmarks the Administration’s \$9 million request for projects to promote democratization, respect for human rights, and the development of a free market economy, but the House Appropriations Committee report to the bill notes that the committee fully supports the Administration’s budget request. does not specifically earmark the Administration’s request. (Also see “Anti-Drug Cooperation” below for additional provisions of the bill.) For final action, see “FY2005 Consolidated Appropriations Act” above.

H.Res. 164 (Flake). Expressing the sense of the House regarding the human rights situation in Cuba, and for other purposes. Introduced March 26, 2003; referred to the Committee on International Relations Committee.

H.Res. 179 (Diaz-Balart, Lincoln). Expresses the sense of the House regarding the systematic human rights violations in Cuba committed by the Castro regime, calls for the immediate release of all political prisoners, and supports respect for basic human rights and free elections in Cuba. Introduced April 7, 2003. House passed (414-0, 11 present) April 8, 2003.

H.Res. 208 (Foley). Condemns the Cuban government’s brutal crackdown; calls on the UNCHR to recognize the resolution passed by the House condemning Cuba for its human rights atrocities and condemns the member states of the United Nations Economic and Social Council for renewing Cuba’s membership on the UNCHR. Introduced April 30, 2003; referred to House Committee on International Relations.

H.Res. 563 (Ros-Lehtinen). Expressing the sense of the House regarding the one-year anniversary of the human rights crackdown in Cuba. Introduced March 16, 2004; referred to the Committee on International Relations.

S. 1089 (Ensign). Cuba Transition Act of 2003. To encourage multilateral cooperation and authorize a program of assistance to facilitate a peaceful transition in Cuba. Requires the Secretary of State to designate a coordinator, with the rank of ambassador, for Cuba’s transition. Authorizes the Secretary of State to designate up to \$5 million of monies provided to the Organization of American States for human rights activities, election support, and scholarships for Cuban students. Authorizes \$15 million in foreign operations funding to support democracy-

building efforts for Cuba. Authorizes \$30 million for the President to establish a fund to provide assistance to a transition government in Cuba. Introduced May 20, 2003; referred to Committee on Foreign Relations.

S.Res. 62 (Ensign). Calling upon the OAS Inter-American Commission on Human Rights, the U.N. High Commissioner for Human Rights, the European Union, and human rights activists throughout the world to take certain actions in regard to the human rights situation in Cuba. Introduced February 24, 2003; referred to Committee on Foreign Relations. Senate agreed to by unanimous consent on June 27, 2003.

S.Res. 97 (Nelson). Expresses the sense of the Senate regarding the arrests of Cuban democracy activists by the Cuban government. Introduced March 25, 2003; Senate Committee on Foreign Relations discharged by unanimous consent. Senate amended and agreed to the resolution April 7, 2003, by unanimous consent.

S.Res. 146 (Reid). Expressing the sense of the Senate regarding the establishment of an international tribunal to prosecute crimes against humanity committed by Fidel Castro and other Cuban political leaders. Introduced May 20, 2003; referred to Committee on Foreign Relations.

S.Res. 328 (Nelson). Expresses the sense of the Senate regarding the continued human rights violations committed by Fidel Castro and the Cuban government, calls on Cuba to immediately release individuals imprisoned for political purposes, and calls upon the 60th session of the U.N. Commission on Human Rights to condemn Cuba for its human rights abuses and demand that inspectors from the International Committee of the Red Cross be allowed to visit and inspect Cuban prisons. Introduced April 1, 2004; Senate passed, amended, April 8, 2004, by unanimous consent.

Modification of Sanctions

H.R. 187 (Serrano). To amend the Trade Sanctions Reform and Export Enhancement Act of 2000 to allow for the financing of agricultural sales to Cuba. Introduced January 7, 2003; referred to Committee on Financial Services and in addition to the Committees on International Relations and Agriculture.

H.R. 188 (Serrano). Cuba Reconciliation Act. To lift the trade embargo on Cuba, and for other purposes. Introduced January 7, 2003; referred to Committee on International Relations and to Committees on Ways and Means, Energy and Commerce, the Judiciary, Financial Services, Government Reform, and Agriculture.

H.R. 1698 (Paul). To lift the trade embargo on Cuba, and for other purposes. Introduced April 9, 2003; referred to Committee on International Relations, and in addition to the Committees on Ways and Means, Energy and Commerce, the Judiciary, Financial Services, Government Reform, and Agriculture.

H.R. 2071 (Flake). Export Freedom to Cuba Act of 2003. To allow travel between the United States and Cuba. Introduced May 13, 2003; referred to the Committee on International Relations.

H.R. 2494 (Rangel)/ S. 2002 (Baucus). United States-Cuba Trademark Protection Act of 2003. To improve and promote international intellectual property obligations relating to the Republic of Cuba, and for other purposes. Section 3 (d) would repeal a provision in the FY1999 omnibus appropriations measure (Section 211 of Division A, title II, P.L. 105-277) that prohibits transactions or payments with respect to trademark registrations and renewals from foreign nationals that were used in connection with a business or assets in Cuba that were confiscated. H.R. 2494 introduced June 17, 2003; referred to the Committee on International Relations and to

the Committee on the Judiciary. S. 2002 introduced December 9, 2003; referred to Committee on the Judiciary.

H.R. 2989 (Istook)/S. 1589 (Shelby). Transportation, Treasury, and Independent Agencies Appropriations Act, FY2004. H.R. 2989 reported by House Committee on Appropriations July 30, 2003 (H.Rept. 108-243). House approved September 9, 2003 (381-39) after approving three Cuba sanctions amendments: H.Amdt. 375 (Flake) (227-188) would prevent funds from enforcing travel restrictions (Section 745); H.Amdt. 377 (Delahunt) (222-196) would prevent funds from enforcing restrictions on remittances (Section 746); and H.Amdt. 382 (Davis) (246-173) would prohibit funds from being used to eliminate the travel category of people-to-people educational exchanges (Section 749). S. 1589, reported September 8, 2003 (S.Rept. 108-146), had no such Cuba provisions, but during Senate floor consideration of H.R. 2989 on October 23, 2003, the Senate approved by voice vote S.Amdt. 1900 (Dorgan), nearly identical to the Flake amendment noted above, that would prevent funds from being used to administer or enforce restrictions on travel or travel-related transactions (Section 643). The only difference between the Flake and Dorgan amendments is that the Dorgan amendment, as amended by S.Amdt. 1901 (Craig), provides that the section will take effect one day after enactment of the bill. A motion to table the Dorgan amendment was defeated by a vote of 59-36. Senate approved H.R. 2989 October 23, 2003 (91-3). For further action, see P.L. 108-199 (H.R. 2673), Consolidated Appropriations Act for FY2004, above.

H.R. 3422 (Serrano). To provide the people of Cuba with access to food, medicines and other humanitarian goods and from the United States, to ease restrictions on travel to Cuba, to provide scholarships for certain Cuban nationals, to repeal the prohibition on transactions or payments with respect to certain U.S. intellectual property, to provide for expedited security checks for certain visiting Cubans, and to remove restrictions in order to allow Cuban nationals to come to the United States to play organized professional sports. Introduced October 30, 2003; referred to Committee on International Relations, and in addition to the Committees on Agriculture, Financial Services, Government Reform, the Judiciary, and Ways and Means.

H.R. 3470 (Rothman). To amend the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1996 to require that, in order to determine that a democratically elected government in Cuba exists, the government extradite to the United States convicted felon Joanne Chesimard and all other individuals who are living in Cuba in order to escape prosecution or confinement from criminal offenses committed in the United States. Introduced November 6, 2003; referred to Committee on International Relations.

H.R. 3670 (Deutsch). Anti-Communist Cooperation Act of 2003. To amend the Internal Revenue Code to impose a 100% tax on amounts received from trading with Cuba if the trading is conditioned on lobbying Congress to lift trade or travel restrictions. Introduced December 8, 2003; referred to Committee on Ways and Means.

H.R. 4225 (Smith of Texas)/S. 2373 (Domenici). To modify the prohibition on recognition by United States courts of certain rights relating to certain marks, trade names, or commercial names. H.R. 4225 introduced April 28, 2004; referred to House Committee on the Judiciary. S. 2373 introduced April 29, 2004; referred to Senate Committee on the Judiciary.

H.R. 4678 (Davis). To bar certain additional restrictions on travel and remittances related to per-diem allowances, family visits, remittances, and accompanied baggage. Introduced June 24, 2004; referred to House Committee on International Relations.

H.R. 4754 (Wolf)/ S. 2809 (Gregg). Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, FY2005. House Committee on Appropriations reported H.R. 4754 (H.Rept. 108-576) July 1, 2004. House approved (398-18) July 8, 2004. As approved, the bill

included a provision (Section 801) prohibiting funds from being used to implement, administer, or enforce recent amendments to Cuba embargo regulations that tightened restrictions on gift parcels and baggage taken by individuals for travel to Cuba. The provision was added to the bill on July 7, 2004, when the House approved, by vote of 221-194, a Flake amendment (H.Amdt. 647). S. 2809 reported (S.Rept. 108-340) September 14, 2004. The Senate version of the bill has no such provision on gift parcels and baggage. (Also see the bill's additional provisions on "Cuba Broadcasting" below.) For final action, see "FY2005 Consolidated Appropriations Act" above.

H.R. 4766 (Bonilla)/ S. 2803 (Bennett). Agriculture Appropriations, FY2005. H.R. 4766 reported (H.Rept. 108-584) by the House Appropriations Committee July 7, 2004. House passed July 13, 2004. S. 2803 reported (S.Rept. 108-340) September 14, 2004. As reported, S. 2803 has a provision (Section 776) directing the Secretary of the Treasury to promulgate regulations allowing for travel to Cuba under a "general license" when it is related to the commercial sale of agricultural and medical products. H.R. 4766 has no such provision. In its statement of policy on the bill, the Administration stated that the President would veto the measure if it contained a provision weakening Cuba sanctions. For final action, see "FY2005 Consolidated Appropriations Act" above.

H.R. 5025 (Istook)/S. 2806 (Shelby). Transportation, Treasury, and Independent Agencies Appropriations Act, FY2005. H.R. 5025 reported (H.Rept. 108-671) by House Appropriations Committee September 8, 2004. House approved (397-12) September 22, 2004. S. 2806 reported (S.Rept. 108-342) by Senate Appropriations Committee September 15, 2004. Both House and Senate versions have different provisions that would ease Cuba sanctions. The Administration indicated that the President would veto the measure if it weakened Cuba sanctions.

As approved by the House, H.R. 5025 has three provisions easing Cuba sanctions. During floor consideration on September 21, 2004, the House approved a Davis (of Florida) amendment (H.Amdt. 769) by a vote of 225-174, which provides that no funds may be used to administer, implement, or enforce the Bush Administration's June 2004 tightening of restrictions on visiting relatives in Cuba; this became Section 647. On September 22, 2004, the House approved by voice vote: a Lee amendment (H.Amdt. 771) that prohibits funds from being used to implement, administer, or enforce the Bush Administration's June 2004 tightening of restrictions on travel for educational activities—this became Section 648; and a Waters amendment (H.Amdt. 770) that prohibits funds from being used to implement any sanction imposed on private commercial sales of agricultural commodities or medicine or medical supplies to Cuba—this became Section 649. The House also rejected a Rangel amendment (H.Amdt. 772) on September 22, 2004, by a vote of 225-188 that would have more broadly prohibited funds from being used to implement, administer, or enforce the economic embargo of Cuba.

S. 2806, as reported out of committee has a provision (Section 222) that would prohibit funds from administering or enforcing restrictions on travel or travel-related transactions. For final action, see "FY2005 Consolidated Appropriations Act" above.

S. 403 (Baucus). United States-Cuba Trade Act of 2003. To lift the trade embargo on Cuba, and for other purposes. Introduced February 13, 2003; referred to the Committee on Finance.

S. 950 (Enzi). Freedom to Travel to Cuba Act of 2003. To allow travel between the United States and Cuba. Introduced April 30, 2003; referred to the Committee on Foreign Relations. Senate Foreign Relations ordered reported November 11, 2003.

S. 2449 (Baucus)/H.R. 4457 (Otter). Cuba Sanctions Reform Act of 2004. To require congressional renewal of trade and travel restrictions with respect to Cuba. S. 2449 introduced May 19, 2004; referred to Senate Committee on Finance. H.R. 4457 introduced May 20, 2004;

referred to House Committee on International Relations and to Committees on Rules, Ways and Means, Energy and Commerce, Financial Services, and Agriculture.

Cuba Broadcasting

P.L. 108-7 (H.J.Res. 2). Consolidated Appropriations Resolution, 2003. President signed into law February 20, 2003. The final version provides \$24.996 million for Radio and TV Marti broadcasting to Cuba (Division B, Commerce, Justice, and State appropriations). Also see “Human Rights” above regarding the law’s funding of human rights and democracy projects.

H.R. 1950 (Hyde). Foreign Relations Authorization Act, FY2004 and FY2005. Introduced May 5, 2003. Reported by Committee on International Relations May 16, 2003 (H.Rept. 108-105). House passed (382-42) July 16, 2003. As approved, Section 121 would authorize \$26.901 million for Cuba broadcasting for FY2004 and \$27.439 million for FY2005. Section 502 bill would amend the Radio Broadcasting to Cuba Act to use additional AM frequencies and the FM and Shortwave bands to improve Radio Marti signal delivery to Cuba. Section 503 of the bill would require a report on efforts to counter jamming of Radio and TV Marti broadcasts. (For additional provisions, see “Human Rights and Democracy” above.)

H.R. 2799 (Wolf)/ S. 1585 (Judd). Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, FY2004. Introduced and reported by the House Appropriations Committee (H.Rept. 108-221). House passed (400-21) July 23, 2003. The House-passed bill would fund the Administration’s request for Cuba broadcasting under the International Broadcasting Operations Account, but without a specific earmark. The House Appropriations Committee report to the bill recommends full funding of the Administration’s Cuba broadcasting request, \$26.901 million. S. 1585 reported by the Senate Committee on Appropriations September 5, 2003 (S.Rept. 108-144). The Senate version would provide \$28.201 million for Cuba broadcasting, \$1.2 million more than the Administration’s request. According to the committee report, the additional funding is to be used to enhance efforts to defeat Cuban government jamming. For further action, see P.L. 108-199 (H.R. 2673), Consolidated Appropriations Act for FY2004, above.

H.R. 4754 (Wolf)/ S. 2809 (Gregg). Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, FY2005. House Committee on Appropriations reported (H.Rept. 108-576) July 1, 2004. House approved (398-18) July 8, 2004. As approved, the bill would fund the Administration’s request for Cuba broadcasting under the International Broadcasting Operations account, but without a specific earmark. The report to the bill recommends full funding of the Administration’s \$27.6 million request. S. 2809 reported by the Senate Appropriations Committee (S.Rept. 108-344) September 14, 2004. As reported, the bill would fully fund the Administration’s request with a specific earmark of \$27.6 million under the International Broadcasting Operations account. (See the bill’s additional provisions modifying U.S. sanctions above.) For final action, see “FY2005 Consolidated Appropriations Act” above.

S. 925 (Lugar). Foreign Relations Authorization Act, FY2004 and FY2005. Section 111 would authorize appropriations for radio and television broadcasting to Cuba within the International Broadcasting Operations account but without a specific earmark. Introduced and reported by Committee on Foreign Relations April 24, 2003 (S.Rept. 108-39). For further action, see S. 2144.

S. 2144 (Lugar). Foreign Affairs Authorization Act, Fiscal Year 2005. Section 111 would authorize funding for Cuba broadcasting, but without a specific earmark, under the International Broadcasting Operations account. Introduced February 27, 2004; Senate Foreign Relations Committee reported March 18, 2004 (S.Rept. 108-248).

Anti-Drug Cooperation

H.R. 1432 (Rangel). To authorize the Secretary of State to enter into negotiations with representatives of the Cuban government to establish cooperation between the United States and Cuba on illicit narcotics control efforts. Introduced March 25, 2003; referred to the Committee on International Relations.

H.R. 2800 (Kolbe)/ S. 1426 (McConnell). FY2004 Foreign Operations Appropriations. H.R. 2800 introduced and reported by House Committee on Appropriations July 21, 2003 (H.Rept. 108-222). House passed (370-50) July 24, 2003. The House version would, in Section 571, provide that no International Narcotics Control and Law Enforcement Funds be made available for assistance to Cuba. S. 1426 introduced and reported by Senate Committee on Appropriations July 17, 2003 (S.Rept. 108-106). Senate approved H.R. 2800, amended, October 30, 2003 by voice vote. The Senate version would provide \$5 million in International Narcotics Control and Law Enforcement assistance for preliminary work to establish cooperation with Cuba on counter-narcotics matters. The money would not be available if Cuba does not have in place appropriate procedures to protect against the loss of life in connection with the interdiction of illegal drugs or if there is evidence that the Cuban government is involved in drug trafficking. For further action, see P.L. 108-199 (H.R. 2673), Consolidated Appropriations Act for FY2004, above.

H.R. 4818 (Kolbe)/S. 2812 (McConnell). FY2005 Foreign Operations Appropriations. Introduced and reported (H.Rept. 108-599) by the House Appropriations Committee July 13, 2004. House approved (365-41), amended, July 15, 2004. S. 2812 reported (S.Rept. 108-346) by the Senate Appropriations Committee September 15, 2004. Senate approved H.R. 4818, amended, by voice vote on September 23, 2004. The House version (Section 572) prohibits International Narcotics Control Law Enforcement assistance for the government of Cuba. The Senate version has a provision (Sec. 5091) providing \$5 million to establish cooperation with appropriate agencies of the Cuban government on counter-narcotics matters. (Also see “Human Rights and Democracy” above for additional provisions of the bill.) For final action, see “FY2005 Consolidated Appropriations Act” above.

Migration

H.R. 189 (Serrano). Baseball Diplomacy Act. Waives certain prohibitions with respect to nationals of Cuba coming to the United States to play organized professional baseball. Introduced January 7, 2003; referred to the Committee on International Relations and to the Committee on the Judiciary.

H.R. 3422 (Serrano). Among the bill’s provisions, the measure would provide for expedited security checks for certain visiting Cubans and remove restrictions in order to allow Cuban nationals to come to the United States to play organized professional sports. Introduced October 30, 2003; referred to Committee on International Relations, and in addition to the Committees on Agriculture, Financial Services, Government Reform, the Judiciary, and Ways and Means. (Also see “Modification of Sanctions” above for the bill’s additional provisions.)

For Additional Reading

CRS Report RL32308, *Appropriations for FY2005: Transportation, Treasury, Postal Service, Executive Office of the President, General Government, and Related Agencies*, coordinated by David Randall Peterman and John Frittelli.

CRS Report RL31808, *Appropriations for FY2004: Transportation, Treasury, Post Office, Executive Office of the President, General Government, and Related Agencies*, coordinated by David Randall Peterman and John Frittelli.

CRS Report RS20450, *The Case of Elian Gonzalez: Legal Basics*, by Larry M. Eig.

CRS Report RL32251, *Cuba and the State Sponsors of Terrorism List*, by Mark P. Sullivan.

CRS Report RL30837, *Cuba: An Economic Primer*, by Ian F. Fergusson.

CRS Report RL30806, *Cuba: Issues for the 107th Congress*, by Mark P. Sullivan and Maureen Taft-Morales.

CRS Report RL30628, *Cuba: Issues and Legislation in the 106th Congress*, by Mark P. Sullivan and Maureen Taft-Morales.

CRS Report RL31139, *Cuba: U.S. Restrictions on Travel and Remittances*, by Mark P. Sullivan.

CRS Report RL30386, *Cuba-U.S. Relations: Chronology of Key Events 1959 -1999*, by Mark P. Sullivan.

CRS Report RS20468, *Cuban Migration Policy and Issues*, by Ruth Ellen Wasem.

CRS Issue Brief IB10061, *Exempting Food and Agriculture Products from U.S. Economic Sanctions: Status and Implementation*, by Remy Jurenas.

CRS Report 94-636, *Radio and Television Broadcasting to Cuba: Background and Issues Through 1994*, by Susan B. Epstein and Mark P. Sullivan.

CRS Report RS21764, *Restricting Trademark Rights of Cubans: WTO Decision and Congressional Response*, by Margaret Mikyung Lee.

CRS Report RL31258, *Suits Against Terrorist States by Victims of Terrorism*, by David M. Ackerman.

CRS Report RS21003, *Travel Restrictions: U.S. Government Limits on American Citizens' Travel Abroad*, by Susan B. Epstein and Dianne E. Rennack.

Figure I. Map of Cuba



Author Information

Mark P. Sullivan
Specialist in Latin American Affairs

Disclaimer

This document was prepared by the Congressional Research Service (CRS). CRS serves as nonpartisan shared staff to congressional committees and Members of Congress. It operates solely at the behest of and under the direction of Congress. Information in a CRS Report should not be relied upon for purposes other than public understanding of information that has been provided by CRS to Members of Congress in connection with CRS's institutional role. CRS Reports, as a work of the United States Government, are not subject to copyright protection in the United States. Any CRS Report may be reproduced and distributed in its entirety without permission from CRS. However, as a CRS Report may include copyrighted images or material from a third party, you may need to obtain the permission of the copyright holder if you wish to copy or otherwise use copyrighted material.